



Metropolitan Transit System

1255 Imperial Avenue, Suite 1000
 San Diego, CA 92101-7490
 619.231.1466 FAX 619.234.3407

Agenda

JOINT MEETING OF THE BOARD OF DIRECTORS

for the

Metropolitan Transit System,
 San Diego Transit Corporation, and
 San Diego Trolley, Inc.

October 30, 2008

9:00 a.m.

James R. Mills Building
 Board Meeting Room, 10th Floor
 1255 Imperial Avenue, San Diego

This information will be made available in alternative formats upon request. To request an agenda in an alternative format, please call the Clerk of the Board at least five working days prior to the meeting to ensure availability. Assistive Listening Devices (ADLs) are available from the Clerk of the Board/Assistant Clerk of the Board prior to the meeting and are to be returned at the end of the meeting.

ACTION RECOMMENDED

1. Roll Call
2. Approval of Minutes - October 16, 2008
3. Public Comments - Limited to five speakers with three minutes per speaker. Others will be heard after Board Discussion items. If you have a report to present, please give your copies to the Clerk of the Board.

Approve

Please turn off cell phones and pagers
 during the meeting



Metropolitan Transit System (MTS) is a California public agency and is comprised of San Diego Transit Corporation and San Diego Trolley, Inc. nonprofit public benefit corporations, in cooperation with Chula Vista Transit and National City Transit. MTS is the taxicab administrator for eight cities and the owner of the San Diego and Arizona Eastern Railway Company. MTS member agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.

CONSENT ITEMS

- | | | |
|-----|--|----------------|
| 6. | <u>MTS: San Diego and Arizona Eastern (SD&AE) Railway Company Quarterly Reports and Ratification of Actions Taken by the SD&AE Railway Company Board of Directors at its October 10, 2008, Special Meeting</u>
Action would: (1) receive the San Diego and Imperial Valley Railroad (SD&IV), Pacific Southwest Railway Museum Association (Museum), and Carrizo Gorge Railway, Inc. (Carrizo) quarterly reports; and (2) ratify actions taken by the San Diego and Arizona Eastern (SD&AE) Railway Company Board of Directors at its Special Meeting on October 10, 2008. | Ratify |
| 7. | <u>MTS: State Transit Assistance (STA) Claims</u>
Action would adopt Resolution 08-22 approving fiscal year (FY) 2009 STA claims. | Adopt |
| 8. | <u>MTS: Office of Homeland Security Grant Applications</u>
Action would adopt Resolution No. 08-23 authorizing the CEO to submit applications for fiscal year 2008-2009 California Transit Security Grant Program-State Transit Assistance Agencies funding. | Adopt |
| 9. | <u>MTS: Public Transportation Modernization, Improvement, and Service Enhancement Account Funding</u>
Action would adopt Resolution No. 08-24 authorizing the CEO to submit applications for fiscal year 2008-2009 California Public Transportation Modernization, Improvement, and Service Enhancement Account--State Transit Assistance Agencies funding. | Adopt |
| 10. | <u>MTS: Investment Report - September 2008</u>
Action would receive a report for information. | Receive |
| 11. | <u>MTS: Increased Authorization for Legal Services - Law Offices of R. Martin Bohl</u>
Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G1072.2-07 with the Law Offices of R. Martin Bohl for legal services and ratify prior amendments entered into under the CEO's authority. | Approve/Ratify |
| 12. | <u>MTS: Ticket Vending Machine Reprogramming</u>
Action would: (1) authorize the Chief Executive Officer (CEO) to execute a Memorandum of Understanding (MOU) with the San Diego Association of Governments (SANDAG) for Ticket Vending Machine (TVM) reprogramming; and (2) approve a fund transfer from Capital Improvement Project (CIP) 11166 - CCTV Surveillance Equipment to SANDAG's CIP 1145700 - Fare Technology. | Approve |

CLOSED SESSION

- | | | |
|-----|---|-----------------|
| 24. | a. MTS: CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(a) (<u>MTS v. Zurich Insurance</u> , AAA Case No. 51 195 Y 0016408) | Possible Action |
|-----|---|-----------------|

NOTICED PUBLIC HEARINGS

25. None.

DISCUSSION ITEMS

30. An Ordinance Amending Ordinance No. 4, An Ordinance Establishing a Metropolitan Transit System Fare-Pricing Schedule and an Ordinance Amending Ordinance No. 13, an Ordinance Regarding Prohibited Conduct Onboard Transit Vehicles and Prohibited Actions on or About a Transit Facility, Trolley Station, or Bus Stop Approve
- Action would: (1) read the title of Ordinance No. 4, An Ordinance Establishing a Metropolitan Transit System Fare-Pricing Schedule and Ordinance No. 13, an Ordinance Regarding Prohibited Conduct Onboard Transit Vehicles and Prohibited Actions on or About a Transit Facility, Trolley Station, or Bus Stop; (2) waive further readings of the ordinance; (3) introduce the ordinances for further consideration at the next Board meeting on November 13; and (4) direct publication of an ordinance summary. This action is necessary to make the MTS ordinances consistent with the San Diego Association of Governments' (SANDAG's) Regional Comprehensive Fare Ordinance.

REPORT ITEMS

45. MTS: Year-to-Date Operations Budget Status Report through August 2008 Receive
Action would receive the MTS Year-to-Date Operations Budget Status Report through August 2008.
46. SDTC: Transit Services Year-End Report Receive
Action would receive a report for information.
47. MTS: Rail Operations Year-End Report Receive
Action would receive a report for information.
48. MTS: Route 28 Service on Shelter Island Receive
Action would receive a report for information.
60. Chairman's Report Information
61. Audit Oversight Committee Chairman's Report Information
62. Chief Executive Officer's Report Information
63. Board Member Communications
64. Additional Public Comments Not on the Agenda
If the limit of 5 speakers is exceeded under No. 3 (Public Comments) on this agenda, additional speakers will be taken at this time. If you have a report to present, please furnish a copy to the Clerk of the Board. Subjects of previous hearings or agenda items may not again be addressed under Public Comments.
65. Next Meeting Date: November 13, 2008
66. Adjournment

**METROPOLITAN TRANSIT DEVELOPMENT BOARD
ROLL CALL**

MEETING OF (DATE): 10/30/08

CALL TO ORDER (TIME): 9:03 a.m.

RECESS: _____

RECONVENE: _____

CLOSED SESSION: _____

RECONVENE: _____

PUBLIC HEARING: _____

RECONVENE: _____

ORDINANCES ADOPTED: _____

ADJOURN: 10:49 a.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
ATKINS	<input checked="" type="checkbox"/> (Hueso) <input type="checkbox"/>	9:10 a.m. during AI 3	
CLABBY	<input checked="" type="checkbox"/> (Selby) <input type="checkbox"/>	9:06 a.m. during AI 3	
EMERY	<input checked="" type="checkbox"/> (Cafagna) <input type="checkbox"/>		
EWIN	<input checked="" type="checkbox"/> (Allan) <input type="checkbox"/>		
FAULCONER	<input checked="" type="checkbox"/> (Hueso) <input type="checkbox"/>		
MAIENSCHIEIN	<input type="checkbox"/> (Hueso) <input type="checkbox"/>		<input checked="" type="checkbox"/>
MATHIS	<input checked="" type="checkbox"/> (Vacant) <input type="checkbox"/>	9:09 a.m. during AI 3	
MCCLELLAN	<input checked="" type="checkbox"/> (Hanson-Cox) <input type="checkbox"/>		
MCLEAN	<input checked="" type="checkbox"/> (Bragg) <input type="checkbox"/>		
MONROE	<input checked="" type="checkbox"/> (Downey) <input type="checkbox"/>		
RINDONE	<input checked="" type="checkbox"/> (McCann) <input type="checkbox"/>		
ROBERTS	<input checked="" type="checkbox"/> (Cox) <input type="checkbox"/>	9:10 a.m. during AI 3	
RYAN	<input type="checkbox"/> (B. Jones) <input type="checkbox"/>		<input checked="" type="checkbox"/>
YOUNG	<input checked="" type="checkbox"/> (Hueso) <input type="checkbox"/>		
ZARATE	<input type="checkbox"/> (Parra) <input type="checkbox"/>		<input checked="" type="checkbox"/>

SIGNED BY THE OFFICE OF THE CLERK OF THE BOARD

CONFIRMED BY OFFICE OF THE GENERAL COUNSEL

Gail Williams
Gail Williams

JOINT MEETING OF THE BOARD OF DIRECTORS FOR THE
METROPOLITAN TRANSIT SYSTEM (MTS),
SAN DIEGO TRANSIT CORPORATION (SDTC), AND
SAN DIEGO TROLLEY, INC. (SDTI)

October 16, 2008

MTS
1255 Imperial Avenue, Suite 1000, San Diego

MINUTES

1. Roll Call

Chairman Mathis called the Board meeting to order at 9:07 a.m. A roll call sheet listing Board member attendance is attached.

2. Approval of Minutes

Mr. Clabby moved to approve the minutes of the September 25, 2008, MTS Board of Directors meeting. Ms. Atkins seconded the motion, and the vote was 9 to 0 in favor.

3. Public Comments

Clive Richard: Mr. Richard stated that he sometimes has to wait at the transit center for up to an hour to catch his bus. He stated that one of the reasons people don't flock to public transit is because service is not frequent enough.

Maike Garey: Mr. Garey stated that he was a taxicab owner in El Cajon and that he was representing east county taxicab operators who can bring passengers into San Diego but cannot pick them up in San Diego. He stated that, with today's economy, they are finding it hard to make a living under these circumstances. He stated that he was speaking on behalf of 40 owners and operators. He also stated that he is now down to 7 cabs but used to have 15.

Mr. Paul Jablonski, MTS CEO, stated that he would provide Mr. Garey's contact information to the Taxicab Administrator and ask him to contact Mr. Garey.

Gino Papekai: Mr. Papekai stated that he has tried to discuss this matter with John Scott, the Taxicab Administrator, but that he has not responded. He also stated that taxicabs need additional parking spaces at the El Cajon Transit Center.

Sam Giazio: Mr. Giazio stated that he had been driving for 11 years and is having a hard time making money. He stated that inspection of his cab has caused him to lose business, and he has lost his cab and license. He stated that taxicab regulations create a lot of pressure on operators. He stated that El Cajon taxicab operators should have the same opportunities as other taxicab operators.

Maike Garey: Mr. Garey spoke again stating that they complained to the Board last year, but nothing has been done. He stated that if taxicabs from El Cajon can't drive in San Diego, they want to be independent in East County.

Mr. Jablonski explained that the respective city councils set the policies regarding these matters, and MTS simply administers and enforces those policies. Mr. Brian Maienschein, who serves as the Chairman of the Taxicab Committee, stated that this issue will be discussed by a taxicab subcommittee at the end of October. He added that the subcommittee will then report back to the Taxicab Committee. He stated that the public speakers are welcome to attend these meetings.

CONSENT ITEMS:

6. MTS: Adoption of Amended 2008 Conflict of Interest Code (ADM 110.1)

Recommend that the Board of Directors (1) adopt Resolution No. 08-20 (Attachment A of the agenda item) amending the MTS Conflict of Interest Code pursuant to the Political Reform Act of 1974; (2) adopt the amended 2008 MTS conflict of Interest Code (in substantially the same format as Attachment B of the agenda item); and (3) forward the amended 2008 MTS Conflict of Interest Code to the County of San Diego (the designated code reviewing body).

7. MTS: Adoption of the 2009 MTS Executive Committee and Board of Directors Meeting Schedule (ADM 110.1)

Recommend that the Board of Directors adopt the 2009 Executive Committee and Board of Directors Meeting Schedule (Attachment A of the agenda item).

8. MTS: Investment Report for August (FIN 300)

Recommend that the Board of Directors receive a report for information.

9. SDTC: Drug and Alcohol Policy for San Diego Transit Corporation (ADM 110.2, OPS 960.10)

Recommend that the Board of Directors adopt Resolution No. 08-19 (Attachment A of the agenda item), which would implement SDTC's updated drug and alcohol policy in order to comply with current Federal Transit Administration regulations.

10. MTS: Public Assistance and California Disaster Assistance Act Grant Programs (AG 210.9)

Recommend that the Board of Directors approve Resolution No. 08-21 (Attachment A of the agenda item) authorizing the CEO to submit applications for funds provided by the Federal Emergency Management Agency administered through the Governor's Office of Emergency Services.

Action on Recommended Consent Items

Mr. Rindone moved to approve Consent Agenda Item Nos. 6, 7, 8, 9, and 10. Ms. Atkins seconded the motion, and the vote was 12 to 0 in favor.

CLOSED SESSION:

24. Closed Session Items (ADM 122)

The Board convened to Closed Session at 9:22 a.m.

- a. MTS: CLOSED SESSION – CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION SIGNIFICANT EXPOSURE TO LITIGATION Pursuant to California Government Code section 54956.9(b): (One Potential Case)
- b. MTS: CLOSED SESSION – CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION Pursuant to California Government Code section 54956.9(a) Balfour Beatty/Ortiz v. Metropolitan Transit System (Superior Court Case No. GIC 868963)
- c. MTS: CLOSED SESSION – CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION Pursuant to California Government Code section 54956.9(a): San Diego Public Transit Riders Alliance v. MTS et al. (San Diego Superior Court Case Nos. 07-2007-0082217-CU-TT-CTL and 37-2008-00086580-CU-TT-CTL)

The Board reconvened to Open Session at 10:18 a.m.

Oral Report of Final Actions Taken in Closed Session

Ms. Tiffany Lorenzen, MTS General Counsel, reported the following:

- a. The Board received a report and gave direction to General Counsel.
- b. The Board received a report and gave direction to General Counsel and outside counsel.
- c. The Board received a report and gave direction to outside counsel.

NOTICED PUBLIC HEARINGS

- 25. There were no noticed public hearings.

DISCUSSION ITEMS:

Chairman Mathis pointed out that many of the items included in the Discussion portion of the agenda were placed there because the Executive Committee had not previewed them as it typically does. He stated that he would like to waive staff reports for Agenda Item Nos. 31 through 38 unless Board members request reports on any of those items. He also stated that San Diego City Council members who sit on the Board will be recusing themselves from voting on Agenda Item No. 39, and, therefore, a separate vote will be needed for this item.

- 30. MTS: New Flyer Buses – Contract Amendment (CIP 11239)

Ms. Claire Spielberg, Chief Operating Officer – Bus, reviewed staff's recommendation for this item. Mr. Elliot Hurwitz, Contract Services Administrator, reviewed the history of MTS bus procurements and reviewed the funding and budget transfers that would be made in order to make this purchase. He reported that this procurement will replace 37 1995 compressed natural gas (CNG) buses that have CNG tanks that will expire in 2010. He stated that these new buses are low floor and will replace buses with lifts. He stated that this will result in more efficient boarding for everyone, and these buses will be assigned to routes with high levels of boardings. He added that the largest portion of the funding for this purchase is Proposition 1B money. He also reported that, after this purchase, MTS will have 434 CNG buses and 109 diesel buses.

In response to a question from Mr. McClellan, Ms. Spielberg stated that it would cost \$100,000 to replace the expiring CNG tanks, which are on buses purchased in 1995. She stated that investing that kind of money in old buses would not be prudent. She reported that the old buses will be auctioned off.

Mr. Clabby stated that he didn't feel that MTS should have to pay sales tax on a purchase that is funded with revenues from other taxes. Mr. Jablonski pointed out that, in addition, the State of California bonded for this particular funding source.

Action Taken

Mr. Cafagna moved to (1) execute MTS Doc. No. G1101.3-07 (in substantially the same format as Attachment A of the agenda item) with New Flyer of America, Inc. to purchase 37 low-floor (40-foot) compressed natural gas (CNG) transit buses; (2) transfer \$308,00 from *Chula Vista Transit 40-Foot CNG* project (Project Code 11250) to *MTS 40-Foot CNG Buses* project (Project Code 11239); and (3) transfer \$675,000 from *MTS 40-foot CNG buses* project (Project Code 11239) to *MTS High Capacity Bus* project (Project Code 11189). Mr. McLean seconded the motion, and the vote was 13 to 0 in favor.

Action Taken

Mr. Monroe moved to waive staff reports on Agenda Item Nos. 31-38. Ms. Atkins seconded the motion, and the vote was 13 to 0 in favor.

Mr. Monroe moved to approve Agenda Item Nos. 31-38 as outlined below. Mr. Rindone seconded the motion, and the vote was 13 to 0 in favor.

31. MTS: Federal Legislative Representation (LEG 470)

Authorized the CEO to execute Task Order No. 4 (Attachment A of the agenda item) of the triagency contract with Blank Rome Government Relations, LLP (MTS Doc. No. G0980.0-06) effective November 1, 2008.

32. MTS: Mission Valley East Light Rail Transit Project – Legal Services Contract Amendment (CIP 10426.12)

Authorized the CEO to execute MTS Doc. No. M6655.5-07 (in substantially the same format as Attachment A of the agenda item) with Hecht Solberg Robinson Goldberg and Bagley LLP for legal services on the Mission Valley East Light Rail Transit Project.

33. MTS: 12th and Imperial Trolley Station and Mills Building Closed-Circuit Television (CCTV) System Upgrade – Contract Ratification and Amendment (CIP 11201)

(1) Ratified MTS Doc. No. L0849.0-08 (Attachment A of the agenda item) awarded to Electro Specialty Systems, Inc. for the 12th and Imperial Trolley Station and Mills Building CCTV system upgrade; and (2) authorized the CEO to execute Amendment No. 1 to MTS Doc. No. L0849.0-08 (Attachment B of the agenda item) with Electro Specialty Systems, Inc. to exercise options in the base contract.

34. MTS: Clarifier Waste Transportation and Recycling Services – Contract Award (OPS 901)

Authorized the CEO to execute MTS Doc. No. PWG103.0-09 (in substantially the same format as Attachment A of the agenda item) with Asbury Environmental Services for a five-year period.

35. MTS: Increased Authorization for Legal Services – Law Office of Julie Morris Soden (LEG 491)

Authorized the CEO to execute MTS Doc. No. G1173.3-08 (in substantially the same form as Attachment A of the agenda item) with the Law Office of Julie Morris Soden for legal services and ratify prior amendments entered into under the CEO's authority.

36. MTS: Increased Authorization for Legal Services – Law Offices of Wheatley Bingham & Baker (LEG 491)

Authorized the CEO to execute MTS Doc. No. G1111.3-07 (in substantially the same form as Attachment A of the agenda item) with the Law Offices of Wheatley Bingham & Baker for legal services and ratify prior amendments entered into under the CEO's authority.

37. MTS: Increased Authorization for Legal Services – McDougal Love Eckis Smith Boehmer & Foley, APC (LEG 491)

Authorized the CEO to execute MTS Doc. No. G1067.2-07 (in substantially the same form as Attachment A of the agenda item) with McDougal Love Eckis Smith Boehmer & Foley, APC for legal services and ratify prior amendments entered into under the CEO's authority.

38. MTS: Increased Authorization for Legal Services – Law Offices of Mark H. Barber, APC (LEG 491)

Authorize the CEO to execute MS Doc. No. G1162.2-08 (in substantially the same form as Attachment A of the agenda item) with the Law Offices of Mark H. Barber for legal services and ratify prior amendments entered into under the CEO's authority.

39. MTS: Regional Transit Management System – Lease with the City of San Diego for Communications Equipment at Catalina Standpipe (OPS 901)

Ms. Lorenzen reported that the San Diego City Attorney has advised City of San Diego Councilmembers who sit on the MTS Board to recuse themselves from this item and leave the room during its discussion. There was no discussion of this item.

Action Taken

Mr. Rindone moved to authorize the CEO to execute MTS Doc. No. G1216.0-09 (in substantially the same form as Attachment A of the agenda item) with the City of San Diego for the installation and maintenance of communications equipment for the Regional Transit Management System. Mr. Monroe seconded the motion, and the vote was 9 to 0 in favor. Board members Atkins, Faulconer, Maienschein, and Young were not present for the vote on this item.

REPORT ITEMS:

45. MTS: Semiannual Security Report (January Through June 2008) (OPS 970.11)

Mr. Bill Burke, Director of Security, provided the Board with an overview of security activities and statistics for January through June of 2008. He reported on fare inspections and special enforcement unit activities. He also provided statistical information on Part I Incidents, including robbery and theft, and reported that cell phones and iPods account for the majority of the items stolen from passengers. He then reviewed statistical information on Part II incidents and provided the Board with information on how MTS is able to assist police departments by providing them with video taken by MTS surveillance cameras. In response to a question from Mr. Rindone, Mr. Burke stated that there has been a significant decrease in auto thefts from MTS parking lots as a result of the presence of security cameras. Mr. Burke also reported on joint operations in which MTS security personnel have participated. He also reported on MTS's K9 program and the Newton Street Rail Yard Hardening project being funded through the Transit Security Grant Program. Board members were provided with a handout providing statistical information by city and by station.

Mr. Young stated that the Ad Hoc Public Security Committee has been working on a number of security issues and recognized the wonderful job Mr. Burke has done in keeping the Committee informed about what is going on in the system. He stated that efforts are underway to make young people more aware of what easy targets cell phones and iPods have become. He stated that the Committee is also discussing how cameras can be funded for stations that are not covered by Department of Homeland Security funding and how MTS can ensure that emergency agencies understand ways that MTS can assist during emergencies. He praised staff members for their willingness to be flexible in response to Committee member comments.

Action Taken

Mr. Young moved to receive a report for information. Mr. Allan seconded the motion, and the vote was 11 to 0 in favor.

46. MTS: GASB 45 Actuarial Valuation of Postemployment Welfare Benefits (FIN 370)

Ms. Linda Musengo, Finance Manager, advised the Committee that MTS is now subject to new reporting requirements regarding healthcare-cost accrued liabilities and that every government agency is subject to these same requirements. She stated that entities are not required to fund their liability for healthcare costs. Ms. Musengo introduced Jim Whelpley of Rael and Letson, an actuary and benefit consulting firm. He provided Committee members with a list of definitions for Government Accounting Standards Board (GASB) 43 and 45 and a Glossary of Retiree Health Valuation Terms.

Mr. Whelpley reviewed the new disclosure requirements mandated under GASB 43 and 45. He pointed out that the benefits could be funded in an irrevocable trust such as the one that CalPers offers. He then explained that California (AB) Bill 2544 mandates that there be parity between the portion of health care benefit covered by the company for current employees compared to the portion covered for retired employees, which will cause costs to increase. He stated that this bill pertains only to those employees in the CalPers plan. He stated that parity would need to be achieved for existing and retired MTS and San Diego Trolley employees, and MTS could do that over a number of years. He also stated that increasing the portion of health

care coverage covered by the company may encourage more employees to participate in the health plan when they retire.

Mr. Whelpley then provided a projection of retiree counts. He also explained gross versus net cash flow and provided projections of each. He also reviewed funding options. He stated that, if the liability is funded at 100 percent with the California Employees' Retiree Benefit Trust, their projected return of 7.75 percent could be used as a discount rate. He then provided Committee members with the projected annual required contribution under three different funding scenarios. He also presented a graph that illustrated the cost of pay-as-you-go versus full funding. This chart showed that MTS would save money until approximately 2020 with a pay-as-you-go plan. After 2020, the cost would be less if the liability had been funded.

Mr. Whelpley stated that the next step is to consider whether or not to fund and at what level or consider changes to cost sharing or the design of the basic benefits. He stated that, with no plan changes, the next actuarial valuation would be as of June 30, 2009.

Mr. Whelpley advised Mr. Cafagna that the only way to avoid this issue would be to provide no subsidy of any kind for health insurance for retirees. He also pointed out that GASB 45 only applies to defined benefit pension plans. In response to a question from Mr. Cafagna, Mr. Jablonski provided information on the age at which employees can retire and the percentage of benefit they earn under their respective pension plans. Mr. Jablonski added that he is working on the entire health insurance issue. In response to a question from Mr. McClellan, Mr. Whelpley reported that these are lifetime benefits that are not affected by Medicare, although the insurance provided by MTS becomes secondary once Medicare is activated for an employee.

Action Taken

Ms. Atkins moved to receive a report for information. Mr. McClellan seconded the motion, and the vote was 10 to 0 in favor.

60. Chairman's Report

San Diego Symphony: Chairman Mathis called the Board's attention to a memo that was distributed by Rob Schupp, Director of Marketing and Communications, regarding MTS's third year of participation in the San Diego Symphony partnership program. He requested that Board members who are interested in introducing a performance contract Mr. Schupp by October 24, 2008.

APTA Annual Meeting and EXPO: Chairman Mathis discussed the many laudatory comments he received regarding the success of this conference. He stated that MTS employees did a great job. He stated that about 17,000 people attended the EXPO. He added that he was very proud of the organization.

61. Audit Oversight Committee Chairman's Report

No report was made on this item.

62. Chief Executive Officer's Report

Mr. Jablonski reported that the APTA Annual Meeting was extremely successful, especially from a host-property standpoint. He stated that MTS employees filled 300 different volunteer slots and were at the airport to greet delegates as they arrived and at transit stations to assist delegates as they used MTS services. He added that MTS ran shuttles between the airport and the hotels. He stated that he received at least 100 positive comments regarding MTS's friendly employees and how easy it was to access MTS's services. He stated that Chairman Mathis, Mayor Sanders, and FTA Administrator James Simpson opened the conference. Mr. Jablonski added that he addressed many groups including the Veolia managers' group and an international group at their reception. He also stated that exhibitors at the EXPO, some of whom spent up to \$750,000 for their displays, were happy with the venue and happy with MTS as a host. Mr. Jablonski added that MTS unveiled its new NABI articulated bus during a press conference on Wednesday morning and closed the conference with technical tours of the I-15 managed lanes, Sprinter, Central Train Control, and the hybrid bus manufacturer ISE. He stated that staff was responsible for making everything happen.

Mr. Jablonski also reported that MTS had a host session that was unique in that it focused on MTS's partnerships with Fairfield Residential, Coca-Cola, Veolia, and SANDAG. He stated the information provided was extremely well received.

63. Board Member Communications

APTA Annual Meeting and Expo: Mr. Rindone stated that he appreciated the efforts of Mr. Jablonski and MTS staff for hosting the finest EXPO he had ever seen. He stated that there were so many exhibits for the EXPO that they had overflow on the second floor.

Mr. Schupp played a video that was played at the start of the conference to showcase the city and MTS. He stated that this video will be playing (without audio) at symphony events as people enter the hall.

64. Additional Public Comments on Items Not on the Agenda

There were no additional Public Comments.

65. Next Meeting Date

The next regularly scheduled Board meeting is Thursday, October 30, 2008.

66. Adjournment

Chairman Mathis adjourned the meeting at 11:40 a.m.



Chairperson
San Diego Metropolitan Transit System

Filed by:

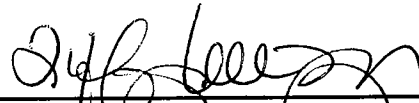


Office of the Clerk of the Board
San Diego Metropolitan Transit System

Attachment: A. Roll Call Sheet

gail.williams/minutes

Approved as to form:



Office of the General Counsel
San Diego Metropolitan Transit System

**METROPOLITAN TRANSIT DEVELOPMENT BOARD
ROLL CALL - REVISED 11/12/08**

MEETING OF (DATE): 10/16/08

CALL TO ORDER (TIME): 9:07 a.m.

RECESS: _____

RECONVENE: _____

CLOSED SESSION: 9:22 a.m.

RECONVENE: 10:18 a.m.

PUBLIC HEARING: _____

RECONVENE: _____

ORDINANCES ADOPTED: _____

ADJOURN: 11:40 a.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
ATKINS	<input checked="" type="checkbox"/> (Hueso) <input type="checkbox"/>		
CLABBY	<input checked="" type="checkbox"/> (Selby) <input type="checkbox"/>		
EMERY	<input type="checkbox"/> (Cafagna) <input checked="" type="checkbox"/>	9:25 a.m. during AI 24	
EWIN	<input type="checkbox"/> (Allan) <input checked="" type="checkbox"/>		
FAULCONER	<input checked="" type="checkbox"/> (Hueso) <input type="checkbox"/>		10:24 a.m. during AI 37
MAIENSCHIN	<input checked="" type="checkbox"/> (Hueso) <input type="checkbox"/>		
MATHIS	<input checked="" type="checkbox"/> (Vacant) <input type="checkbox"/>		
MCCLELLAN	<input checked="" type="checkbox"/> (Hanson-Cox) <input type="checkbox"/>		
MCLEAN	<input checked="" type="checkbox"/> (Bragg) <input type="checkbox"/>		
MONROE	<input checked="" type="checkbox"/> (Downey) <input type="checkbox"/>	9:17 a.m. during AI 3	
RINDONE	<input checked="" type="checkbox"/> (McCann) <input type="checkbox"/>	9:10 a.m. during AI 3	
ROBERTS	<input checked="" type="checkbox"/> (Cox) <input type="checkbox"/>	9:15 a.m. during AI 3	
RYAN	<input type="checkbox"/> (B. Jones) <input type="checkbox"/>		<input checked="" type="checkbox"/>
YOUNG	<input checked="" type="checkbox"/> (Hueso) <input type="checkbox"/>		11:44 a.m. during AI 46
ZARATE	<input type="checkbox"/> (Parra) <input type="checkbox"/>		<input checked="" type="checkbox"/>

SIGNED BY THE OFFICE OF THE CLERK OF THE BOARD

Gail Williams

CONFIRMED BY OFFICE OF THE GENERAL COUNSEL

Tiff Williams

REQUEST TO SPEAK FORM

ORDER REQUEST RECEIVED

PLEASE SUBMIT THIS COMPLETED FORM (AND YOUR WRITTEN STATEMENT) TO THE CLERK OF THE BOARD PRIOR TO DISCUSSION OF YOUR ITEM

1. INSTRUCTIONS

This Request to Speak form must be filled out and submitted in advance of the discussion of your item to the Clerk of the Board (please attach any written statement to this form). Communications on hearings and agenda items are generally limited to three minutes per person unless the Board authorizes additional time; however, the Chairperson may limit comment to one or two minutes each if there are multiple requests to speak on a particular item. General public comments on items not on the agenda are limited to three minutes. Please be brief and to the point. No yielding of time is allowed. Subjects of previous hearings or agenda items may not again be addressed under General Public Comments.

(PLEASE PRINT)

Date	2008-10-30		
Name	Clive Richard		
Address	on file		
Telephone			
Organization Represented			
Subject of Your Remarks			
Regarding Agenda Item No.			
Your Comments Present a Position of:	<input type="checkbox"/>	SUPPORT	<input type="checkbox"/> OPPOSITION

2. TESTIMONY AT NOTICED PUBLIC HEARINGS

At Public Hearings of the Board, persons wishing to speak shall be permitted to address the Board on any issue relevant to the subject of the Hearing.

3. DISCUSSION OF AGENDA ITEMS

The Chairman may permit any member of the public to address the Board on any issue relevant to a particular agenda item.

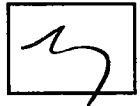
4. GENERAL PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

Public comment on matters not on the agenda will be limited to five speakers with three minutes each, under the Public Comment Agenda Item. Additional speakers will be heard at the end of the Board's Agenda.

REMEMBER: Subjects of previous hearings or agenda items may not again be addressed under General Public Comments.



AGENDA ITEM NO.

**REQUEST TO SPEAK FORM**

ORDER REQUEST RECEIVED



PLEASE SUBMIT THIS COMPLETED FORM (AND YOUR WRITTEN STATEMENT) TO THE CLERK OF THE BOARD PRIOR TO DISCUSSION OF YOUR ITEM

1. INSTRUCTIONS

This Request to Speak form must be filled out and submitted in advance of the discussion of your item to the Clerk of the Board (please attach any written statement to this form). Communications on hearings and agenda items are generally limited to three minutes per person unless the Board authorizes additional time; however, the Chairperson may limit comment to one or two minutes each if there are multiple requests to speak on a particular item. General public comments on items not on the agenda are limited to three minutes. Please be brief and to the point. No yielding of time is allowed. Subjects of previous hearings or agenda items may not again be addressed under General Public Comments.

(PLEASE PRINT)

Date	10/30/08		
Name	Dwight Davis		
Address	941 11th Ave #15		
Telephone	91288-2025		
Organization Represented			
Subject of Your Remarks	Driver Education		
Regarding Agenda Item No.			
Your Comments Present a Position of:	<input type="checkbox"/>	<input type="checkbox"/> SUPPORT <input type="checkbox"/>	<input type="checkbox"/> OPPOSITION

2. TESTIMONY AT NOTICED PUBLIC HEARINGS

At Public Hearings of the Board, persons wishing to speak shall be permitted to address the Board on any issue relevant to the subject of the Hearing.

3. DISCUSSION OF AGENDA ITEMS

The Chairman may permit any member of the public to address the Board on any issue relevant to a particular agenda item.

4. GENERAL PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

Public comment on matters not on the agenda will be limited to five speakers with three minutes each, under the Public Comment Agenda Item. Additional speakers will be heard at the end of the Board's Agenda.

REMEMBER: Subjects of previous hearings or agenda items may not again be addressed under General Public Comments.



AGENDA ITEM NO.

3

REQUEST TO SPEAK FORM

ORDER REQUEST RECEIVED

☐

PLEASE SUBMIT THIS COMPLETED FORM (AND YOUR WRITTEN STATEMENT) TO THE CLERK OF THE BOARD PRIOR TO DISCUSSION OF YOUR ITEM

1. INSTRUCTIONS

This Request to Speak form must be filled out and submitted in advance of the discussion of your item to the Clerk of the Board (please attach any written statement to this form). Communications on hearings and agenda items are generally limited to three minutes per person unless the Board authorizes additional time; however, the Chairperson may limit comment to one or two minutes each if there are multiple requests to speak on a particular item. General public comments on items not on the agenda are limited to three minutes. Please be brief and to the point. No yielding of time is allowed. Subjects of previous hearings or agenda items may not again be addressed under General Public Comments.

(PLEASE PRINT)

Date	10/30/08
Name	Dwight Davis
Address	941 11th Ave #15
Telephone	288-2025
Organization Represented	
Subject of Your Remarks	Smoking Areas
Regarding Agenda Item No.	
Your Comments Present a Position of:	<input type="checkbox"/> SUPPORT <input type="checkbox"/> OPPOSITION

2. TESTIMONY AT NOTICED PUBLIC HEARINGS

At Public Hearings of the Board, persons wishing to speak shall be permitted to address the Board on any issue relevant to the subject of the Hearing.

3. DISCUSSION OF AGENDA ITEMS

The Chairman may permit any member of the public to address the Board on any issue relevant to a particular agenda item.

4. GENERAL PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

Public comment on matters not on the agenda will be limited to five speakers with three minutes each, under the Public Comment Agenda Item. Additional speakers will be heard at the end of the Board's Agenda.

REMEMBER: Subjects of previous hearings or agenda items may not again be addressed under General Public Comments.



AGENDA ITEM NO.

3

REQUEST TO SPEAK FORM

ORDER REQUEST RECEIVED

☐

PLEASE SUBMIT THIS COMPLETED FORM (AND YOUR WRITTEN STATEMENT) TO THE CLERK OF THE BOARD PRIOR TO DISCUSSION OF YOUR ITEM

1. INSTRUCTIONS

This Request to Speak form must be filled out and submitted in advance of the discussion of your item to the Clerk of the Board (please attach any written statement to this form). Communications on hearings and agenda items are generally limited to three minutes per person unless the Board authorizes additional time; however, the Chairperson may limit comment to one or two minutes each if there are multiple requests to speak on a particular item. General public comments on items not on the agenda are limited to three minutes. Please be brief and to the point. No yielding of time is allowed. Subjects of previous hearings or agenda items may not again be addressed under General Public Comments.

(PLEASE PRINT)

Date	10/30/08
Name	Dwight Davis
Address	941 11th Ave
Telephone	941 11th Ave #15
Organization Represented	288-2025
Subject of Your Remarks	Public Info
Regarding Agenda Item No.	
Your Comments Present a Position of:	<input type="checkbox"/> SUPPORT <input type="checkbox"/> OPPOSITION

2. TESTIMONY AT NOTICED PUBLIC HEARINGS

At Public Hearings of the Board, persons wishing to speak shall be permitted to address the Board on any issue relevant to the subject of the Hearing.

3. DISCUSSION OF AGENDA ITEMS

The Chairman may permit any member of the public to address the Board on any issue relevant to a particular agenda item.

4. GENERAL PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

Public comment on matters not on the agenda will be limited to five speakers with three minutes each, under the Public Comment Agenda Item. Additional speakers will be heard at the end of the Board's Agenda.

REMEMBER: Subjects of previous hearings or agenda items may not again be addressed under General Public Comments.



AGENDA ITEM NO.

3

REQUEST TO SPEAK FORM

ORDER REQUEST RECEIVED

☐

PLEASE SUBMIT THIS COMPLETED FORM (AND YOUR WRITTEN STATEMENT) TO THE CLERK OF THE BOARD PRIOR TO DISCUSSION OF YOUR ITEM

1. INSTRUCTIONS

This Request to Speak form must be filled out and submitted in advance of the discussion of your item to the Clerk of the Board (please attach any written statement to this form). Communications on hearings and agenda items are generally limited to three minutes per person unless the Board authorizes additional time; however, the Chairperson may limit comment to one or two minutes each if there are multiple requests to speak on a particular item. General public comments on items not on the agenda are limited to three minutes. Please be brief and to the point. No yielding of time is allowed. Subjects of previous hearings or agenda items may not again be addressed under General Public Comments.

(PLEASE PRINT)

Date	10/30/06
Name	Dwight Davis
Address	941 11th Ave #15
Telephone	288-2025
Organization Represented	
Subject of Your Remarks	Security Hygiene
Regarding Agenda Item No.	
Your Comments Present a Position of:	<input type="checkbox"/> SUPPORT <input type="checkbox"/> OPPOSITION

2. TESTIMONY AT NOTICED PUBLIC HEARINGS

At Public Hearings of the Board, persons wishing to speak shall be permitted to address the Board on any issue relevant to the subject of the Hearing.

3. DISCUSSION OF AGENDA ITEMS

The Chairman may permit any member of the public to address the Board on any issue relevant to a particular agenda item.

4. GENERAL PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

Public comment on matters not on the agenda will be limited to five speakers with three minutes each, under the Public Comment Agenda Item. Additional speakers will be heard at the end of the Board's Agenda.

REMEMBER: Subjects of previous hearings or agenda items may not again be addressed under General Public Comments.



1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
619.231.1466, FAX: 619.234.3407

Agenda

Item No. 6

JOINT MEETING OF THE BOARD OF DIRECTORS
for the
Metropolitan Transit System,
San Diego Transit Corporation, and
San Diego Trolley, Inc.

SDAE 710 (PC 50771)

October 30, 2008

SUBJECT:

MTS: SAN DIEGO AND ARIZONA EASTERN (SD&AE) RAILWAY COMPANY
QUARTERLY REPORTS AND RATIFICATION OF ACTIONS TAKEN BY THE SD&AE
RAILWAY COMPANY BOARD OF DIRECTORS AT ITS OCTOBER 10, 2008, SPECIAL
MEETING

RECOMMENDATION:

That the Board of Directors:

1. receive the San Diego and Imperial Valley Railroad (SD&IV), Pacific Southwest Railway Museum Association (Museum), and Carrizo Gorge Railway, Inc. (Carrizo) quarterly reports (Attachment A); and
2. ratify actions taken by the San Diego and Arizona Eastern (SD&AE) Railway Company Board of Directors at its Special Meeting on October 10, 2008.

Budget Impact

None.

DISCUSSION:

Quarterly Reports

Pursuant to the Agreement for Operation of Freight Rail Services, SD&IV, Museum, and Carrizo have provided the attached quarterly reports of their operations during the third quarter of calendar year 2008 (Attachment A).



SD&AE Property Matters

Under its adopted policy for dealing with the SD&AE Railway, the MTS Board of Directors must review all property matters acted on by the SD&AE Board. At its meeting of October 10, 2008, the SD&AE Board:

- received a report on the following documents processed by staff:
 - S200-08-352: Right of Entry Permit to Rand Engineering for sewer construction west of SR 125 in the City of La Mesa.
 - S200-08-359: Radio License with the Federal Communications Commission.
 - S200-08-366: Lease to CCRT Properties for parking under the Jackson Drive Bridge (east side) in the City of La Mesa.
 - S200-08-367: License to Marina Gateway Development Corporation for use of the Coronado Branch right-of-way in the City of National City south of Bay Marina Drive.
 - S200-08-368: Easement to the City of La Mesa for a sewer line replacement west of SR 125 in the City of La Mesa.
 - S200-08-371: Right of Entry Permit to Bike the Bay for the Bike to Bay Bikeride.
 - S200-09-372: Right of Entry Permit to Davis / Reed Construction, Inc. for construction of the Marina Gateway Hotel Project in National City on the Coronado Branch.
 - S200-08-373: Easement to SDG&E for a meter box at the Grossmont Station platform in the City of La Mesa.
 - S200-09-376: Right of Entry Permit to HAR Construction for the Bayshore Bikeway Project in the City of San Diego south of the Salt Works on the Coronado Branch.
 - S200-09-377: Right of Entry Permit to Earth Tech for soils investigation adjacent to Building B on Commercial Street in the City of San Diego.
 - S200-09-378: Right of Entry Permit to SDG&E for pole and guy removal near El Cajon Boulevard in the City of El Cajon.
 - S200-09-379: Right of Entry Permit to David Evans and Associates for surveying at the 27th Street and Palm Avenue crossings in the City of San Diego.

- S200-09-380: Right of Entry Permit to Tri-County Drilling for soils investigation adjacent to Building B on Commercial Street in the City of San Diego.
- S200-09-381: Right of Entry Permit to John Tessitore Construction, Inc. to construct a parking lot under the Jackson Drive Bridge (east side) in the City of La Mesa.
- S200-09-382: Right of Entry Permit to Penhall Construction to repair the SR 94 Campo Creek Bridge in Campo on the Desert Line.
- approved (1) an addition to the approved license area to JMI Realty for the construction of tiebacks in the railroad right-of-way, and (2) issuance of an easement to JMI Realty for emergency access.
- approved the 2009 SD&AE Board of Directors meeting schedule.
- replaced Ray Stephens with Bob Jones as a Board member and (2) added Mark Bader of RailAmerica as Mr. Jones' alternate.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Tiffany Lorenzen, 619.557.4512, tiffany.lorenzen@sdmts.com

OCT30-08.6.SDAE RPTS.TLOREN.doc

Attachment: A. Meeting Agenda & Operators' Quarterly Reports **(Board Only Due to Volume)**



AGENDA

San Diego and Arizona Eastern (SD&AE)
Railway Company
Board of Directors Meeting

SDAE 710.1

SPECIAL MEETING

October 10, 2008

1:00 p.m.

Executive Committee Room
James R. Mills Building
1255 Imperial Avenue, 10th Floor

San Diego & Arizona Eastern
Railway Company

A Nevada Nonprofit
Corporation

1255 Imperial Avenue,
Suite 1000
San Diego, CA 92101-7490
619.231.1466

BOARD OF DIRECTORS
Ray Stephens, Chairman
Peter Jespersen
Paul Jablonski

OFFICERS
Paul Jablonski, President
Ray Stephens, Secretary
Alejandro De La Torre,
Treasurer

OF COUNSEL
Tiffany Lorenzen

This information will be made available in alternative formats upon request. To request an agenda in an alternative format, please call the Clerk of the Board at least five working days prior to the meeting to ensure availability. Assistive Listening Devices (ADLs) are available from the Clerk of the Board prior to the meeting and are to be returned at the end of the meeting.

RECOMMENDED ACTION

- | | | |
|----|--|-----------------|
| 1. | <u>Approval of the Minutes of July 15, 2008, and the August 15, 2008, Special Meeting</u>
Action would approve the SD&AE Railway Company minutes of July 15, 2008, and the August 15, 2008, Special Meeting. | Approve |
| 2. | <u>Follow-up on Carrizo Gorge Railway Action from the August 15, 2008, Special Meeting</u>
Action would follow up on the action taken at the August 15, 2008, Special Meeting wherein Carrizo was directed to retain a contractor and submit a schedule to the Board with critical-path specifications for the repair of all priority 2 bridges (including the walkways and ladders at Goat Canyon) identified in the Osmose report on or before October 1, 2008, and to begin work on October 2, 2008, assuming approval of the schedule and repair plans by the SD&AE Board of Directors. | Possible Action |
| 3. | <u>Statement of Railway Finances (Linda Musengo)</u>
Action would receive a report for information. | Receive |
| 4. | <u>Report on San Diego and Imperial Valley (SD&IV) Railroad Operations (Jose Ramos)</u>
Action would receive a report for information. | Receive |
| 5. | <u>Report on Pacific Southwest Railway Museum (Jim Lundquist)</u>
Action would receive a report for information. | Receive |

- | | | |
|-----|---|-----------------|
| 6. | <u>Report on the Desert Line (Armando Freire)</u>
Action would receive a report for information. | Receive |
| 7. | <u>Real Property Matters (Tim Allison)</u> | |
| a. | <u>Summary of SD&AE Documents Issued Since July 15, 2008</u>
Action would receive a report for information. | Receive |
| b. | <u>Bayshore Bikeway Project – Segment North of The Salt Works</u>
Action would receive a report for information and provide direction to staff. | Possible Action |
| c. | <u>Marriott Ballpark Village Request for Additional License Area and Emergency Access Easement</u>
Action would approve an addition to the approved license area to JMI Realty for the construction of tiebacks in the railroad right-of-way and approve issuance of an easement to JMI Realty for emergency access. | Approve |
| 8. | <u>Approval of the 2009 SD&AE Board of Directors Meeting Schedule (Tiffany Lorenzen)</u>
Action would approve the 2009 SD&AE Board of Directors meeting schedule. | Approve |
| 9. | CLOSED SESSION - Conference with Real Property Negotiators Pursuant to California Government Code section 54956.8
<u>Property:</u> Assessor's Parcel No. 628-120-63, San Diego, California
<u>Agency Negotiators:</u> Tiffany Lorenzen and Tim Allison
<u>Negotiating Parties:</u> Muraoka Enterprises, Inc.
<u>Under Negotiation:</u> Price and Terms of Payment | Possible Action |
| 10. | Old Business | |
| 11. | New Business | |
| 12. | Public Comments | |
| 13. | <u>Next Meeting Date:</u> October 28, 2008, ONLY if there are any carryover items during this meeting.

If there are NO carryover items during this meeting, the next meeting will be January 20, 2009 (assuming approval of Agenda Item No. 8 above). | |
| 14. | Adjournment | |

DRAFT

MINUTES OF THE BOARD OF DIRECTORS MEETING OF THE SAN DIEGO & ARIZONA EASTERN RAILWAY COMPANY

July 15, 2008

A meeting of the Board of Directors of the San Diego & Arizona Eastern (SD&AE) Railway Company, a Nevada corporation, was held at 1255 Imperial Avenue, Suite 1000, San Diego, California 92101, on July 15, 2008, at 8:57 a.m.

The following persons, constituting the Board of Directors, were present: Pete Jespersen, Bob Jones, and Paul Jablonski. Also in attendance were:

MTS staff:	Tiffany Lorenzen, Tim Allison, Linda Musengo
SANDAG staff:	Andrea Groves, Tina Casgar, John Haggerty, Pete d'Ablaing
SD&IV staff:	Jose Ramos
Pacific Southwest Railway Museum:	Jim Lundquist
Carrizo Gorge Railway, Inc. (Carrizo):	Armando Freier, Chas McHaffie
BNSF:	John Hoegemeier
International Border Rail Institute:	Richard Borstadt
City of Lemon Grove:	Barbara Kraber, Carol Dick
Wells Fargo Bank:	Joann Reina
Bureau Veritas:	Sharon Humphreys
Hitzke Development:	Ginger Hitzke
ADMICARGA:	Jorge Octavio Monraz
Kimley-Horn:	Anthony Podegracz
Others:	Robert Millar, Maria Carachure

1. Approval of Minutes

Mr. Jablonski moved to approve the Minutes of the April 29, 2008, SD&AE Railway Board of Directors meeting. Mr. Jones seconded the motion, and it was unanimously approved.

2. Statement of Railway Finances

Linda Musengo reviewed the Financial Statement attached to the agenda item. Ms. Musengo reported that this is the first time in years that SD&AE has a positive cash balance due to locating funds that were mistakenly deposited into the wrong account and proceeds from the sale of National City property. Ms. Musengo clarified that on the operating statement for FY 2008, professional services from Kimley-Horn were for engineering services, and fees to Donna Desmond were for a billboard appraisal. She added that the operating statement is currently in draft form until an audit is completed (the auditors are expected at the end of August).

Action Taken

Mr. Jablonski moved to receive the report for information. Mr. Jones seconded the motion, and it was unanimously approved.

3. Report on SD&IV Operations

Jose Ramos presented the Periodic Report of the SD&AE Railway Company for activities for the 2nd quarter of calendar year 2008. Mr. Ramos clarified that the capacity of the load for 1 railcar trip is equivalent to that of 3 to 4 truck trips.

Action Taken

Mr. Jablonski moved to receive the report for information. Mr. Jones seconded the motion, and it was unanimously approved.

4. Report on Pacific Southwest Railway Museum Operations

Jim Lundquist presented the Second Quarter Report for 2008. Tim Allison informed Mr. Lundquist that a right of entry permit is required at the La Mesa Depot to paint the rail equipment. Mr. Lundquist will follow up with Ms. Lorenzen on whether the Museum sent SD&AE its 2nd quarter revenue check.

Action Taken

Mr. Jones moved to receive the report for information. Mr. Jablonski seconded the motion, and it was unanimously approved.

5. Report on the Desert Line

Armando Freier presented the Periodic Report for the 2nd Quarter of 2008. In regard to marketing, Mr. Freier stated that Carrizo is working to increase business opportunities but does not want to give specifics until the deals are finalized. He clarified the Carrizo is operating all freight in Mexico.

Mr. Jespersen stated that at the last meeting, the Board requested that Carrizo submit a report by May 29 on bridge and tunnel repairs and how they relate to Osmose's report, but the report has not been received. He added that any work to be done by Carrizo should be approved by the Board as it is the property owner. Repairs completed so far suffice for current operations, but will not withstand increased freight activity. Mr. Freier apologized for not being able to dedicate time on this issue, and added that this is the first time he has been involved in this part of Carrizo's management. Mr. Freier stated that he has the requested information and will forward it to General Counsel by Monday.

Mr. Jones stated that the Board has gone over this issue during the last three meetings. Time lines have not been met, and the Board is getting to the point of considering shutting Carrizo down because it is in a very precarious situation as far as safety. At every meeting, there's another reason why Carrizo cannot complete the work, and it's getting to the point where the liability is too great. The bottom line is that Carrizo has not followed through.

Mr. Jablonski stated that the Board needs to determine if bridge 123.89 is safe to run traffic over. It was inspected nine months ago and listed as needing immediate repairs. Mr. Jespersen added that it's a priority 2 meaning it could fail at any time according to Osmose's report, which is why the Board is so concerned. Mr. Jablonski requested he be informed of the report findings on Monday, and the Board should consider a follow-up inspection. Mr. Ramos clarified a question regarding "revenue freight" and "carloads moved" referenced on

page 5-8 of the agenda item. The "revenue freight" amount is an estimate (20% of total carloads), and "carloads moved" is the actual total.

Ms. Lorenzen inquired as to why Carrizo would have any nonrevenue freight vehicles as noted on page 5-8. Ms. Lorenzen clarified that SD&AE is to be paid \$3.00 per car. Mr. Ramos responded that it could represent nonstorage, switching fees, etc. Mr. Freier stated that he did not know the answer but will follow up. Ms. Lorenzen also reiterated that Carrizo is required to provide all FRA and PUC inspection reports. Mr. Freier will fax the FRA report to Ms. Lorenzen.

Mr. Jespersen stated that SD&IV's billing to Carrizo is squared away; however, Carrizo is falling behind financially. In addition, the Desert Line taxes were sent to Carrizo's office via FedEx last month and are still due. Mr. Freier will follow up, and he informed the Board that the new accounts payable staff member is Vanessa Almonte (Valmonte@czry.com).

Action Taken

Mr. Jablonski moved to receive the report for information. Mr. Jones seconded the motion, and it was unanimously approved.

6. Real Property Matters

a. Summary of SD&AE Documents Issued Since April 29, 2008

Since the April 29, 2008, SD&AE Railway Company Board of Directors meeting, the documents described below have been processed by staff.

- S200-08-354: Deposit agreement with the City of National City for the Bay Marina Drive Widening Project in National City.
- S200-08-357: Right of entry permit to Zigman Shields Construction Company for adjacent building construction north of Lemon Grove Avenue in the City of Lemon Grove.
- S200-08-362: Right of entry permit to SC Valley Construction to abandon an underground sewer line at Allison Street in the City of La Mesa.
- S200-08-363: Right of entry permit to the United States Navy Region Southwest to conduct the Bay Bridge Fun Run from San Diego to Coronado.
- S200-08-365: Right of entry permit to the City of La Mesa for its City's Flag Day Parade.

Action Taken

Mr. Jablonski moved to receive the report for information. Mr. Jones seconded the motion, and it was unanimously approved.

b. License Agreement with Cox CommunicationsAction Taken

Mr. Jablonski moved to approve issuing a license to Cox Communications to string a fiber-optic cable above the tracks west of Wilson Avenue at West 16th Street in National City. Mr. Jones seconded the motion, and it was unanimously approved.

c. License Agreement with Wells Fargo BankAction Taken

Mr. Jablonski moved to approve a license to Wells Fargo Bank to obtain access to an existing utility pole (within SD&AE right-of-way) to trench, install, and maintain an underground conduit for a Wells Fargo Bank automated teller machine (ATM). The utility pole is located within SD&AE right-of-way on the northwest side of the La Mesa Gateway Commercial Center. Mr. Jones seconded the motion, and it was unanimously approved.

d. The City of Lemon Grove Main Street Promenade Project

Mr. Allison stated that staff is requesting authorization to issue a letter of support for the Main Street Promenade Project to be included in a Smart Growth Incentive Grant Program application by the City of Lemon Grove. He discussed the project's parameters and phases. One particular element will be a pedestrian promenade at Main Street near the transit station. The intent is to incorporate the development with the transit element. Mr. Allison introduced Barbara Kraber, Management Analyst, with the City of Lemon Grove.

Ms. Kraber gave a presentation on the Main Street Promenade Project (PowerPoint attached). She stated that SANDAG is finalizing the criteria and guidelines for the Smart Growth Incentive Growth Program. TransNet funds are being set aside on a biannual basis to allow cities to conduct incentive projects near transit stations. Ms. Kraber introduced Carol Dick with the City of Lemon Grove, Ginger Hitske with Hitzke Development, and Mike Burnett, architect with Foundation for Form.

Ms. Dick gave the Board a background of what the City of Lemon Grove has done up to this point. She stated that the realignment drawings are at 60%. There have been discussions with the California Department of Transportation (Caltrans), MTS, SANDAG, and the Public Utilities Commission. The goal is to reduce downtown congestion and create a better pedestrian environment.

Mr. Burnett explained the design plan for mixed-use affordable residential (apartments) and commercial properties within the project.

Mr. Jablonski cautioned project coordinators to be careful when planting adjacent to the tracks in terms of distance and species as there have been problems with branches getting in the way of the tracks. In addition, the trees and shrubs should not block the view of the platform from a security standpoint.

Ms. Kraber clarified that construction is slated for the first phase in March 2009. Mr. Jablonski added that at some point, the transit platform will have to be reconfigured to accommodate low-floor cars. Mr. Allison responded that staff could work with the developer so that the grade change matches the project.

Action Taken

Mr. Jones moved to authorize the issuance of a letter of support to SANDAG for the Main Street Promenade Project to be included in a Smart Growth Incentive Grant Program application by the City of Lemon Grove. Mr. Jespersen seconded the motion, and it was unanimously approved.

7. Trade Corridor Improvement Funds for SD&AE Main Line Track and San Ysidro Freight Yard

Tina Casgar of SANDAG gave a presentation on the Trade Corridor Improvement Funds for SD&AE Main Line Track and San Ysidro Freight Yard Project (see PowerPoint attached). Ms. Casgar explained the funding obtained and how it will be spent. Discussion ensued regarding drainage, silt, tracks, freight activity, FRA waiver, environmental aspects, and other elements of the project.

Mr. Jones stated that he has a lot of questions and does not have a clear picture of what will be done to the interior portion of the San Ysidro Freight Yard; i.e., types of switches, solar energy possibilities, automated electronics, and other opportunities for efficiency, safety, and saving money. He asked if more detail will be given including the costs. Mr. Jones wants to make sure we communicate what we want and need and do what is right. He added that we have not tapped into the potential for business with Mexico, which will be an integral part of the functionality of the San Ysidro Freight Yard.

Mr. Jablonski stated that the project will be an interactive process between all of the parties involved. Ultimately decisions will be made on issues such as drainage. He added that today's plan is only conceptual.

Chas McHaffie of Carrizo stated that in regard to operations in Mexico, Carrizo has been concentrating on improving the track and facilities in Mexico on the Mexican line. Carrizo has not concentrated on the Desert Line. Most of the money received in freight is going into Mexican operations. Contract renegotiations with AMICARGA are with the Governor of Mexico for signature. After the contract is finalized, Carrizo will be able to focus on the Desert Line. The reason Carrizo is working in Mexico is because 90% of its income comes from BNSF on the Pacific Corridor.

John Haggerty of SANDAG stated that SD&IV and SD&AE are a part of the project development team. Currently, the major elements are being addressed, and all comments will be considered in the design. For the main line improvements, advanced technology will be considered. Mr. Haggerty stated that the team will present updates to the Board as the project progresses. He will add Mark Bader, Regional Engineer with RailAmerica, when disbursing information.

Actions Taken

1. Mr. Jablonski moved to receive the report for information. Mr. Jones seconded the motion, and it was unanimously approved.

2. Mr. Jones moved to approve the conceptual plan for improvements to the San Ysidro Freight Yard. Mr. Jablonski seconded the motion, and it was unanimously approved.

8. Agreement for Operation of Passenger Excursion Services and for Custody of Control of a Portion of San Diego and Arizona Eastern (SD&AE) Railway Company Right-of-Way as Between SD&AE and the Pacific Southwest Railway Museum

Ms. Lorenzen reported that today's request is to authorize Mr. Jablonski to execute a new agreement with the Museum. Ms. Lorenzen received the financial information requested from the Museum and prepared an accounting of the revenues that the Museum has collected over the last three years in addition to anticipated revenue for 2008. Ms. Lorenzen recommended increasing the current operating fee of 1% to 2%. There have not been any increases in the Museum's percentage of operating fee since the initial contract in 1985. Current revenues show an approximate increase from \$2,000 to \$4,000 per year. Mr. Lorenzen explained that the proposed contract is for a five-year term retroactive from December 13, 2007, when the previous contract expired. The Museum would have two quarterly retroactive payments at 1%. Based on the first two quarters of estimated revenue and ridership, the estimated 1% fee for 2008 is \$1,959—so that amount doubled is what SD&AE would receive for 2008. A forecast was completed based on the Museum's income for the first two quarters.

Mr. Lundquist stated that ridership is down by at least 50% and could be greater than that if the current economic trend continues. He asked if the Museum could forego the 2% increase for the retroactive payments before July 1, 2008.

Action Taken

Mr. Jablonski moved to forward a recommendation to the MTS Board of Directors to authorize the execution of a new agreement with the Museum. The Museum's operating fee of 1% will be effective from December 13, 2007, to June 30, 2008, and will increase to 2% effective July 1, 2008. Mr. Jones seconded the motion, and it was unanimously approved.

9. CONFERENCE WITH REAL PROPERTY NEGOTIATORS PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54956.8
Property: Bay Marina Drive, City of National City, California, Adjacent to Assessor Parcel No. 559-117-14
Agency Negotiators: Tiffany Lorenzen and Tim Allison
Negotiating Parties: City of National City
Under Negotiation: Price and Terms of Payment

Action Taken

Ms. Lorenzen reported that the Board received a report and gave direction to agency negotiators.

10. Old Business

None.

11. New Business

Mr. Jespersen stated that Cathy Babcock of Semptra has been working with Judy Banister, MTS Right of Way Engineer, regarding the growing problem of homeless encampments on SD&IV and SD&AE right-of-way. A meeting will be scheduled with Fish and Wildlife, SD&IV, and Semptra Energy. Mr. Jespersen will also contact Larry Savoy of San Diego Trolley, Inc. Security because of the lawsuit settlement with the homeless in Fresno regarding the award of \$2.5 million for their belongings.

Mr. Allison reported that Pierre Saladin, MTS Right of Way Agent, has been making sure that signs are in place south of the section of the channel in National City. He added that several people have made contact regarding the encampment issues in that area. Mr. Allison discussed measures taken to monitor this situation. He added that no one should enter these areas without Code Enforcement staff, and Mr. Saladin is the contact to coordinate these efforts.

Mr. Jespersen requested signage noting a 72-hour notice to remove any belongings. He added that it will be cheaper in the long run to coordinate the cleanup with Semptra and Fish and Wildlife, which will be an ongoing effort.

13. Public Comments

Jorge Monraz, Director of ADMICARGA – Mr. Monraz stated that ADMICARGA is working with Carrizo on a new agreement or may cancel the contract. He added that ADMICARGA will work with the FRA on freight cargo projects into Mexico, including bridge signals, intermodal service, and capacity improvements using Mexican federal funds, State of Baja funds, and private funds to improve the line south of the border.

14. Next Meeting Date

Tuesday, October 28, 2008, at 9:00 a.m.

15. Adjournment

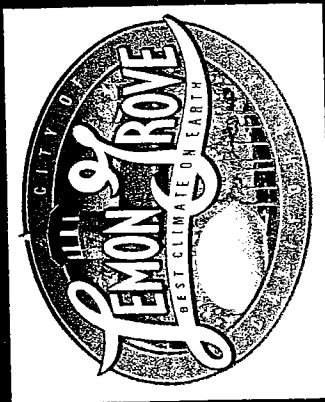
The meeting was adjourned at 10:56 a.m.

President

Of Counsel

JGarde
MINUTES-SDAE.7-15-08.doc
7/11/08

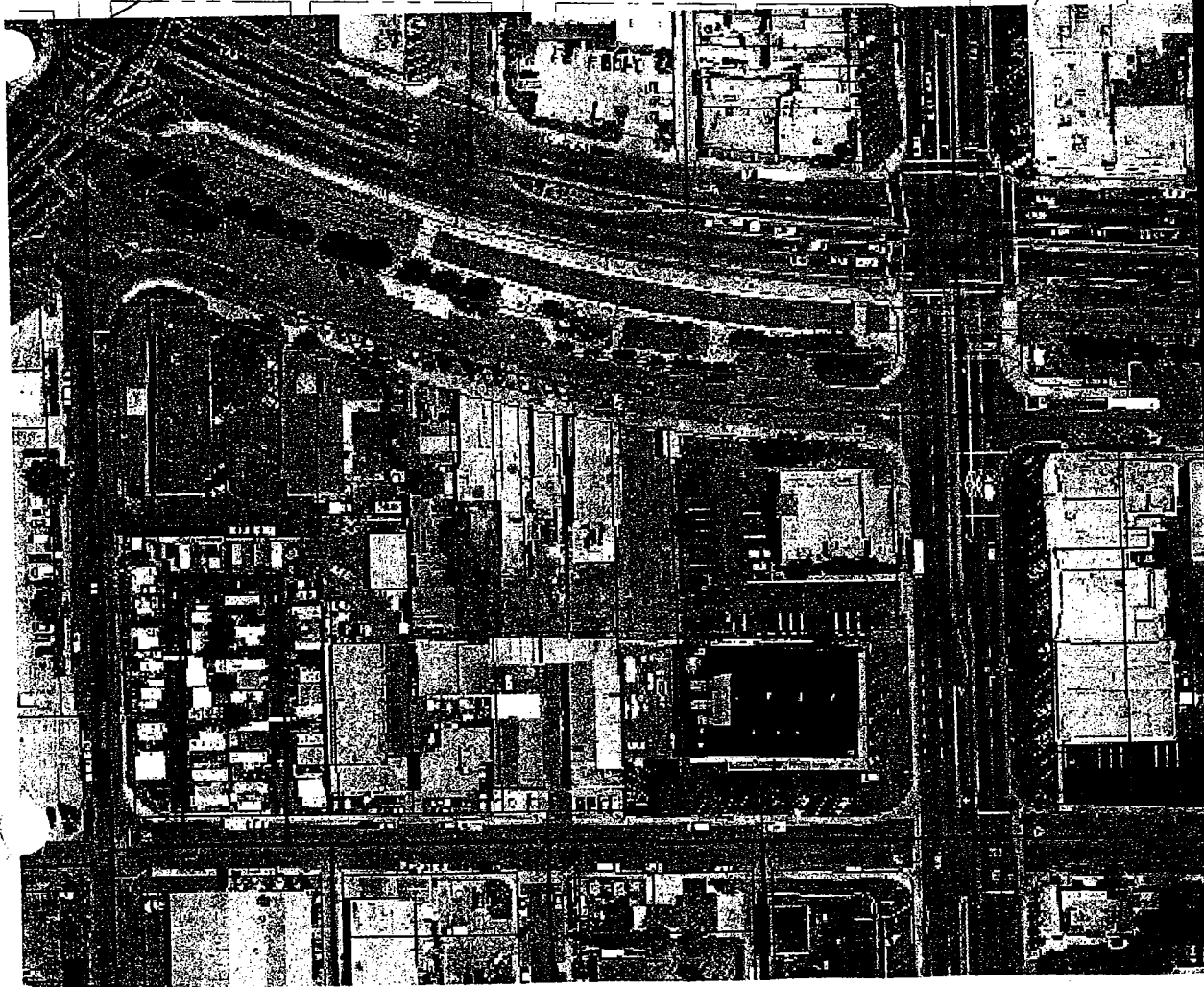
Attachments: City of Lemon Grove PowerPoint
SANDAG Prop 1B Goods Movement Programs PowerPoint



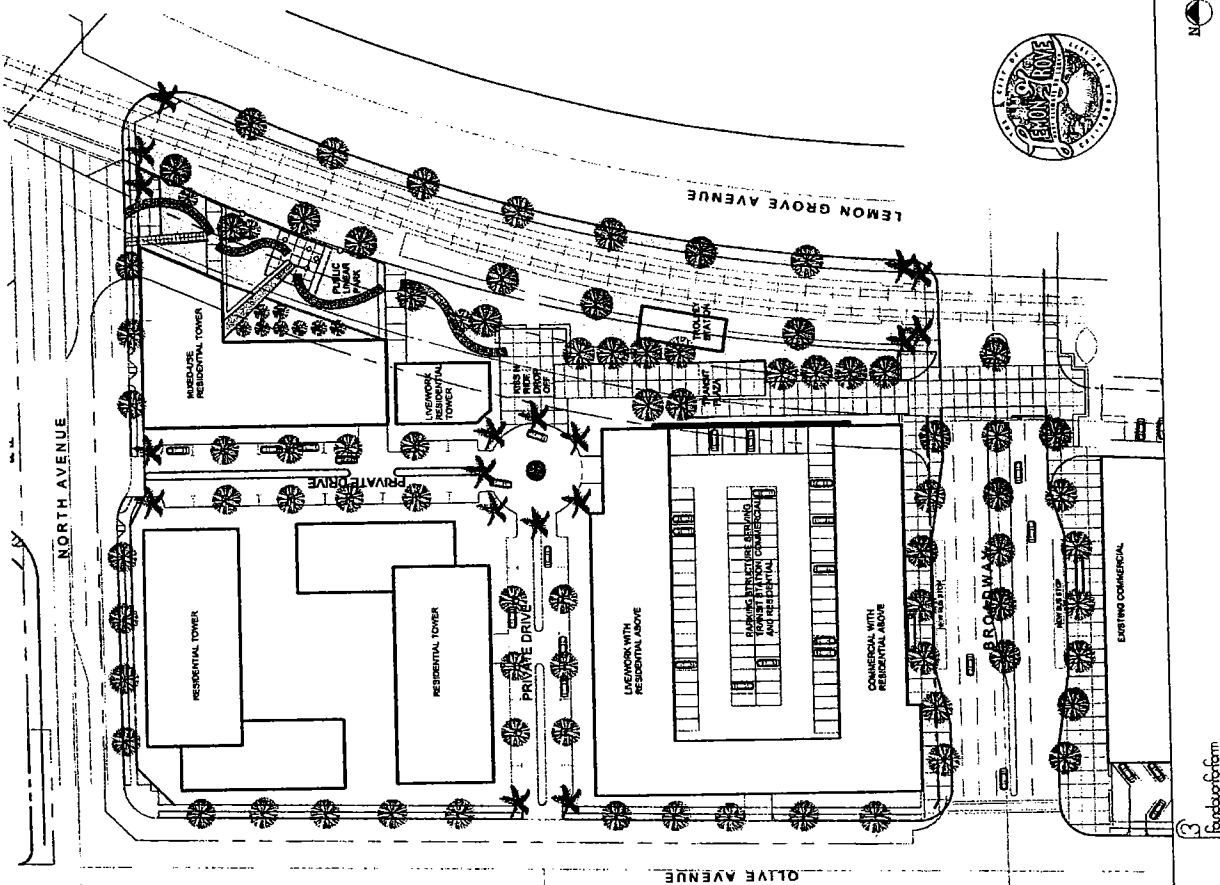
City of Lemon Grove

Request for Letter of Support for Smart Growth Incentive Grant Program Application

Main Street Promenade Project



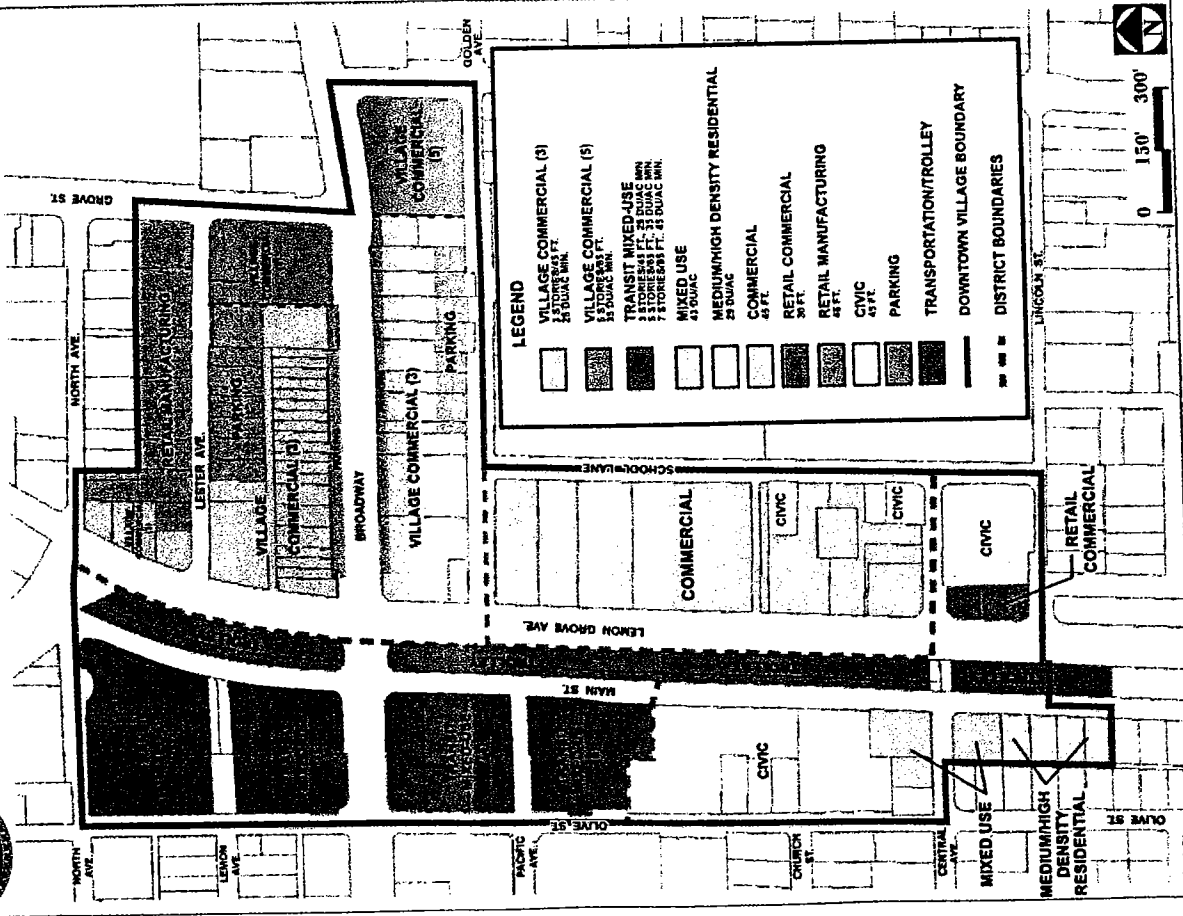
Existing Main Street



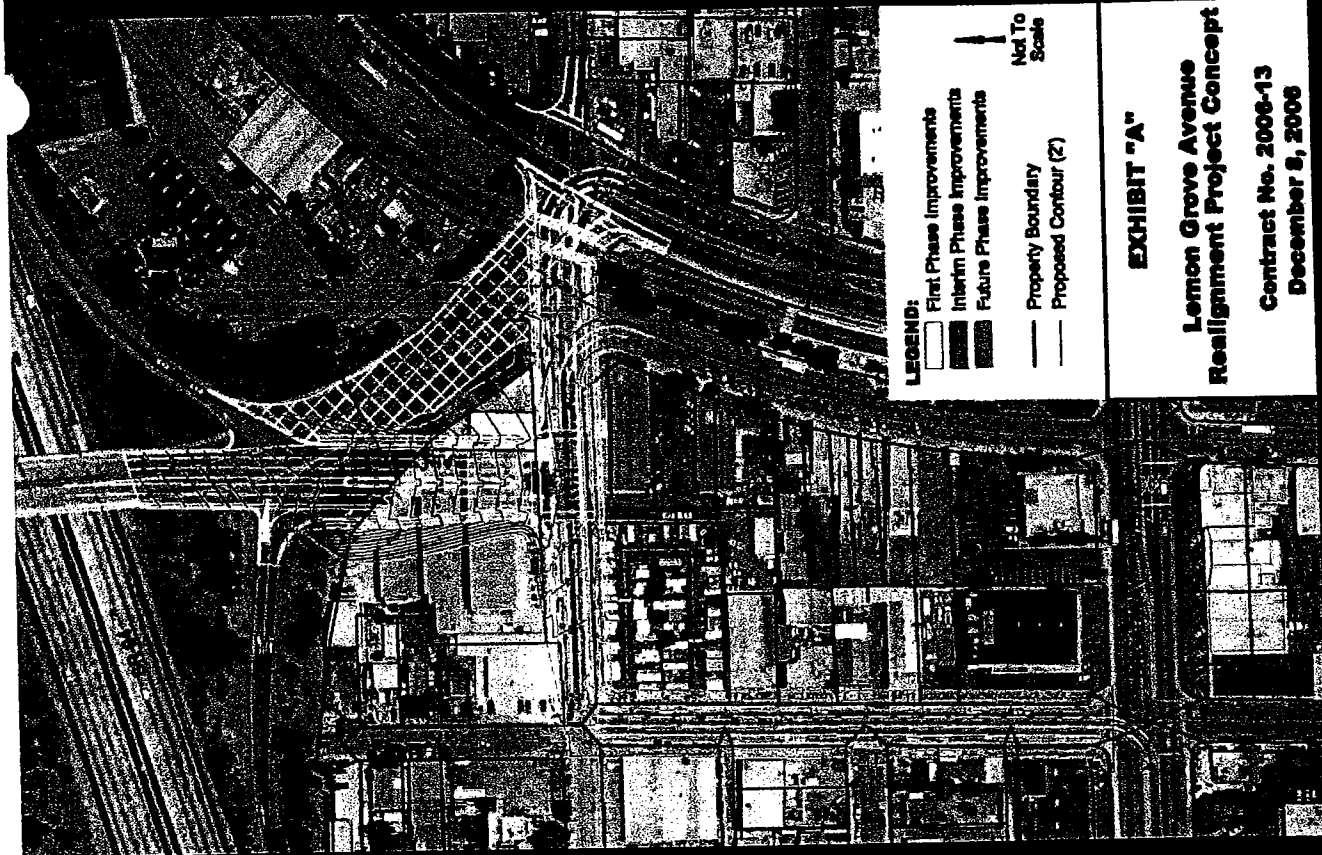
Main Street Promenade Concept



Land Use Plan



Downtown Village Specific Plan



Lemon Grove Avenue Realignment

SD&AE Board of Directors
July 15, 2008SD&AE Board of Directors
July 15, 2008

- » Trade Corridors Improvement Fund (TCIF)
 - \$2 Billion statewide
 - Focus on infrastructure improvements on high volume trade corridors
- » Goods Movement Emission Reduction Program (GMERP)
 - \$1 Billion statewide
 - Focus on projects that reduce air pollution related to goods movement

SANDAG 2

- Highway and freight rail system improvements to improve access
- Enhancements to seaport capacity
- Border access projects to improve freight movements between California and Mexico

SANDAG 3

- » California Transportation Commission (CTC) to consult:
 - Statewide Goods Movement Action Plan
 - Regional Transportation Plans
 - Statewide Port Master Plan
- » San Diego/Border Region:
 - One of four statewide goods movement corridors

SANDAG 4

A map of the San Diego County area. The map shows the coastline and major highways. The San Diego International Airport is marked with an airplane icon and labeled. San Diego is marked with a city icon and labeled. The California State Port of Entry is marked with a customs icon and labeled. The map also shows the location of the San Diego County Sheriff's Office and the San Diego County District Attorney's Office.

SANDAG 5

- » SANDAG Board of Directors approved funding strategy for four potential funding scenarios in July 2007

SANDAG

Prop. 1B: TCIF Goods Movement Candidate Projects

Projects	Potential Investment Levels				Project Cost
	\$200 M	\$300 M	\$400 M	\$500+ M	
Border/SR 905 ⁽¹⁾	\$75				\$500
New Border Crossing/SR 11 ⁽²⁾	\$75				\$500
Maritime / 32nd Street ⁽³⁾	\$50				\$109
Maritime / National City ⁽⁴⁾		\$38			\$56
Maritime / 10th Avenue ⁽⁵⁾		\$33			\$66
South Line Rail ⁽⁶⁾		\$39	\$100	\$11	\$325
Coastal Rail ⁽⁷⁾				\$100	\$1,000
TOTALS	\$200	\$100	\$100	\$111	\$2,656

(1) ...
 (2) ...
 (3) ...
 (4) ...
 (5) ...
 (6) ...
 (7) ...

SANDAG 7

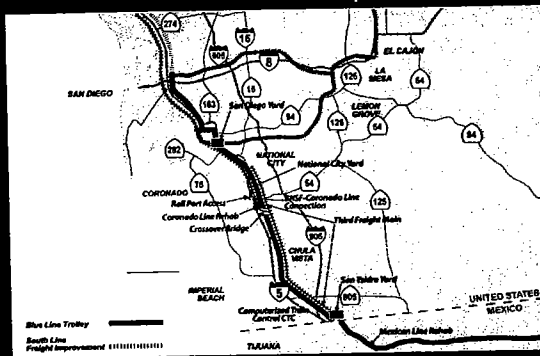
TCIF Project: South Line Rail

» South Line Rail Improvements

- San Ysidro Yard Expansion (two storage tracks, north lead extension)
\$40.460 million
- Mainline Improvements (automatic train stop, bi-directional CTC, reverse gradecrossing approach signaling & crossovers)
\$107.030 million
- Improved trade connectivity with Mexico
- Leverages rail investments from private operators, TransNet, Port of San Diego, Mexico
- Also benefits MTS and Port of San Diego

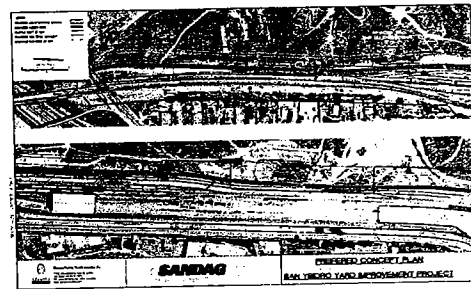
SANDAG 8

Rail Area Map



SANDAG 9

San Ysidro Yard Alternative 13 Map



SANDAG 10

South Line Rail: Project Details

- » Commitments to CTC
 - Double freight trains from 2 to 4 trains/day
 - Grow annual carload capacity from 10,000/year to 19,600/year
 - Increase train speed from 10 to 40 mph
 - Reduce 31,800 truck trips/year
- » Costs/timelines
 - Must have environmental documents completed 2010
 - Must break ground 2013
 - \$25,900M from TCIF for yard Improvements;
 - \$98,060M from TCIF for mainline improvements

SANDAG 11

South Line Rail: Project Details (cont.)

- » Risks
 - ROW acquisition
 - Drainage/silt issues
 - Project is on CTC formal watch list for 2010 environmental documents
 - Project on CTC informal watch list as a project of interest
 - FRA approvals for joint operations

SANDAG 12

Conclusion

- » This is a great project: "It's ours to lose"
- » We look forward to working with MTS/SD&AE
- » Questions?
- » Contacts
 - Pete D'Ablaing (619-699-1906;)
 - John Haggerty (619-699-6937;)
 - Tina Casgar (619-699-1982;)

DRAFT

MINUTES OF THE BOARD OF DIRECTORS MEETING OF THE SAN DIEGO & ARIZONA EASTERN RAILWAY COMPANY

Special Meeting

August 15, 2008

A meeting of the Board of Directors of the San Diego & Arizona Eastern (SD&AE) Railway Company, a Nevada corporation, was held at 1255 Imperial Avenue, Suite 1000, San Diego, California 92101, on Friday, August 15, 2008, at 8:34 a.m.

The following persons, constituting the Board of Directors, were present: Pete Jespersen, Bob Jones, and Paul Jablonski. Also in attendance were:

MTS:

SDTI:

BNSF:

Pacific Southwest Railway Museum:

Carrizo Gorge Railway, Inc. (Carrizo):

Carrizo Creditor:

SDERY:

East County Dirs.

GobBC Short Line Tij-Tec Mex

Public:

Tiffany Lorenzen, Tim Allison

Wayne Terry, Fred Byle

John Hoegemeier

Jim Lundquist

Armando Freire, Chas McHaffie

R. L. Scheuerman

Dave Slater

Gary Sweetwood

Jorge Octavio Monraz Sustnita

Lorraine Leighton

1. CARRIZO GORGE RAILWAY

- Current Status of Tunnel and Bridge Repair Plans, Specifications, Time Line, Budget, and Contractor Approval

Mr. Jespersen stated concern regarding Carrizo's lack of progress toward making the necessary repairs addressed in Osmose's July 2007 report despite the Board's repeated requests. Mr. Jablonski cited examples of past commitments made by Carrizo staff but never completed. Mr. Jones added that the Board is very uncomfortable with the lack of action by Carrizo; Carrizo has been warned repeatedly in light of the safety on the line, and Mr. Jones stated that he is prepared to discontinue its operations.

The Board also discussed its concerns regarding the fact that Carrizo's repair priorities are not consistent with those in Osmose's inspection report, and that Carrizo has not followed through with its commitments to repair the line to a level of safety to satisfy the Board. Several repairs that were completed were inadequate in comparison to Osmose's recommendations.

Mr. Freire responded that Carrizo is working on repairs identified by its engineers and is attempting to procure funding for those repairs. Mr. Jones questioned how Carrizo can procure enough funding for future repairs when it cannot pay its contractors for work that has already been completed.

Chas McHaffie stated that anything that Carrizo has done since October has been in conformity and in agreement with SD&AE. His understanding from the Board was that

the current loads were sufficient for public safety. He stated that he would have allocated funding resources if there was an emergency had he been contacted to do so. Mr. Jespersen stated that the SD&AE Board has repeatedly voiced its concern over the conditions of the bridges, tunnels, and tracks back to when Carrizo Gorge first began operating. Mr. Jespersen doesn't understand how Carrizo can make the investment needed to put the line in the proper condition to run freight under its current operations. He added that contracts between Carrizo and AMICARGA and Carrizo and SD&IV are two totally separate subjects.

Mr. Jablonski clarified that it was his recollection that at the last meeting, the Board stated that the bridges and tunnels were adequate for Carrizo's current trainloads, but that Board members were dissatisfied that Carrizo did its own inspection of a bridge and conducted repairs that were different from those recommended by Osmose. No one voiced any dispute regarding Osmose's qualifications.

Fred Byle, San Diego Trolley, Inc. Assistant Superintendent of Maintenance, recommended that Carrizo follow Osmose's recommendations and added that Osmose is the leader in bridge inspections and repairs. Mr. Byle listed additional recommendations regarding repairs.

Discussion ensued regarding ongoing track and tunnel issues, priority 2 repairs, soil stabilization, and financial issues.

Mr. McHaffie offered to put up a \$250,000 bond to start the improvements needed. Mr. Jablonski stated that he would like a firm commitment from Carrizo that the priority 2 repairs identified by Osmose will be made in a time line consistent with immediacy and the other repairs required following that, and the Board will hold Carrizo to that commitment.

Tim Allison stated that the Board has yet to see detailed plans or licensed engineering reports in addition to many other needs in regard to how the work will be conducted. Mr. Allison recommended having licensed engineers and inspectors overseeing all aspects of the work and added that the work done so far is not completed per Osmose's recommendations.

Mr. Freire stated that he will commit to putting the work out for bid and to working with the contractors. He cannot commit to the financing but will get everything else completed by October 1, 2008. Mr. McHaffie stated that he will commit to get the financing needed. He added that Carrizo is addressing the erosion issues and will set up a meeting with Mr. Allison to review the repair plans.

Action Taken

Mr. Jablonski moved to direct Carrizo to retain a contractor and submit a schedule to the Board with critical-path specifications for the repair of all priority 2 bridges (including the walkways and ladders at Goat Canyon) identified in the Osmose report on or before October 1, 2008, and to begin work on October 2, 2008, assuming approval of the schedule and repair plans by the SD&AE Board of Directors. Mr. Jones seconded the motion, and it was unanimously approved.

- Scrapping and Removal of Items from Jacumba Depot

Mr. Jespersen stated concern regarding SD&AE property being scrapped in Jacumba. Mr. Freire stated they are not scrapping anything that is not scrap and will provide Mr. Jespersen with the inventory list that he has (he does not know who wrote the list or when it was written).

- Derailed Tank Cars

Mr. Freire stated that Carrizo has the materials needed, and the cars should be cleared by the end of August. Mr. Jespersen added that the home shop tags need to be signed for the first few that have been repaired.

- Public Comment under No. 1

Brian Martins of EB Property - Mr. Martins stated that: (1) RailAmerica has not made repairs to the line and tunnel as outlined in its contract and is not being held by this Board to the same standards as its subcontractor; and (2) his past efforts to bring freight from the east and south to increase revenue for the subcontractor was obstructed because RailAmerica said there would be no transload facility.

2. PUBLIC COMMENT

Richard Borstadt of International Border Rail Institute – Mr. Borstadt stated there are items that were discovered in the tunnels of the Gorge that are historical artifacts. He would not like to see them get scrapped. He asked to review and retrieve those items, such as star hand drills from the original construction of the tunnel. Mr. Jablonski clarified that he does not want any materials scrapped unless the Board gives specific approval. Ms. Lorenzen added that all materials belong to SD&AE, which is a public agency. SD&AE is obligated by law to dispose of its materials pursuant to the capital asset disposal policy. She added that no other parties should be scrapping any SD&AE property and, in addition, SD&AE is not giving anything away to any organization.

3. NEXT MEETING DATE

Special meeting tentatively scheduled for October 1, 2008 (pending schedule availability). The next regularly scheduled meeting after that is October 28, 2008, at 9:00 a.m.

4. ADJOURNMENT

The meeting was adjourned at 9:28 a.m.

President

Of Counsel

JGardetto/MINUTES-SDAE-SPECIAL MTG 8-15-08..doc

Agenda

Item No. 3

San Diego and Arizona Eastern (SD&AE)
Railway Company
Board of Directors Meeting

SDAE 710.1 (PC 50771)

October 10, 2008

SUBJECT:

STATEMENT OF RAILWAY FINANCES

RECOMMENDATION:

That the SD&AE Board of Directors receive a report for information.

Budget Impact

None.

DISCUSSION:

The SD&AE operating statement for FY 2008 is attached for information. Linda Musengo will give an update during the meeting.

3-RAILWYFINANCES.doc

Attachment: FY 08 Operating Statement

**SD&AE Operating Statement FY 2009
ESTIMATE**

	Quarter 1
Revenue	
Right of entry permits	\$ 30,178
Lease income	9,820
SD&IV 1% freight fee	-
Joint use fee	-
Carrizo Gorge	213
Sale of real property	-
Other income	-
	<hr/>
Total revenue	40,211
Expense	
Admin wages	18,279
Workers' compensation	498
Professional services	7,196
Outside services	-
Telephone	-
Insurance premium	9,114
Other miscellaneous expense	6,666
Depreciation	-
	<hr/>
Total expense	41,752
	<hr/>
Net income/(loss)	\$ (1,541)

Other miscellaneous expense includes \$6,380.84 billing from Baker & Miller related to petition filing

Reserve balance 2008 - estimated	\$ 841,063
	<hr/>
Allocated interest earnings - estimated	595
Operating profit/(loss)	(1,541)
Improvement expense 2009	-
	<hr/>
Reserve balance 2009- estimated	\$ 840,117

SD&AE Operating Statement FY 2008

	Q1	Q2	Q3	Q4	YTD
Revenue					
Right of entry permits	\$ 5,000	\$ 8,650	\$ 2,850	19,050	\$ 35,550
Lease income	5,047	8,568	17,587	15,477	46,679
1 SD&IV 1% freight fee	-	38,720	106,331	-	145,051
2 Joint use fee	-	-	89,000	-	89,000
Carrizo Gorge	-	-	1,062	198	1,260
3 Sale of real property	-	-	-	288,693	288,693
Other income	570.00	5,696.36	(741.00)	-	5,525.36
Total revenue	10,617	61,634	216,089	323,418	611,759
Expense					
Admin wages	16,636	15,753	14,471	24,747	71,607
Workers' compensation	1,005	1,005	836	497	3,343
Professional services	3,898	10,631	53,987	10,554	79,070
Outside services	1,250	-	-	4,794	6,044
Telephone	145	-	-	-	145
Insurance premium	10,533	10,373	10,122	8,948	39,976
Other miscellaneous expense	543	845	342	18	1,748
Depreciation	-	-	-	19,496	19,496
Total expense	34,010	38,607	79,758	69,054	221,429
Net income	<u>\$ (23,393)</u>	<u>\$ 23,027</u>	<u>\$ 136,331</u>	<u>\$ 254,364</u>	<u>\$ 390,329</u>
Reserve balance 2007					\$ 448,354
Allocated interest earnings - estimated					2,380
Operating profit (loss)					390,329
Improvement expense 2008					-
Reserve balance 2008 - estimated					\$ 841,063
1 SD&IV 1% freight fee calendar year 2006 recorded in SD&AE in November 2007					38,719.90
1 SD&IV 1% freight fee calendar year 2005 previously recorded to San Diego Trolley transferred to SD&AE in January 2008					38,244.85
1 SD&IV 1% freight fee calendar year 2001 previously recorded to MTS, transferred to SD&AE in January 2008					30,916.03
1 SD&IV 1% freight fee calendar year 2007					37,170.33
2 SD&IV joint use fee calendar 2001 previously recorded to MTS, transferred to SD&AE in January 2008					89,000.04
3 Sale of National City property less cost of land sold					288,693.00

Agenda

Item No. 4

San Diego and Arizona Eastern (SD&AE)
Railway Company
Board of Directors Meeting

SDAE 710.1 (PC 50771)

October 10, 2008

SUBJECT:

REPORT ON SAN DIEGO AND IMPERIAL VALLEY (SD&IV) RAILROAD OPERATIONS

RECOMMENDATION:

That the SD&AE Board of Directors receive a report for information.

Budget Impact

None.

DISCUSSION:

An oral report will be given during the meeting.

Attachment: Periodic Report for the 3rd Quarter of 2008



October 2, 2008

SD&AE Board
C/O MTS
1255 Imperial Avenue, Suite 1000
San Diego, California 92101

Periodic Report

In accordance with Section 20 of the Agreement for Operational Freight Service and Control through Management of the San Diego and Arizona Eastern Railway Company; activities of interest for the 3rd Quarter of 2008 are listed as follows:

1. Labor

At the end of September 30, 2008 the San Diego & Imperial Railroad had 14 employees:

- 1 General Manager
- 1 Trainmaster
- 1 Asst. Trainmaster
- 1 Office Manager
- 1 Manager - Marketing & Sales
- 1 Mechanical Officer
- 2 Maintenance of Way Employees
- 6 Train Service Employees

2. Marketing

In the 3rd Quarter of 2008 versus 2007, US lumber and paper carloads declined. Mexican traffic remained steady, with a slight increase in LPG and grain.

3. Reportable Injuries/Environmental

Through year to date, September 30, 2008, there were no FRA Reportable injuries on the SDIY Railroad.

Days FRA Injury Free: 6520

Days FRA Incident Free: 8894

4. Summary of Freight

	2008	2007	2006
Total rail carloads that moved by SDIY Rail Service in the quarter.	2,019	2,090	2,314
Total railroad carloads Terminating/Originating Mexico in the quarter.	1,297	1,368	1,328
Total railroad carloads Terminating/Originating El Cajon, San Diego, National City, San Ysidro, California in the quarter.	722	722	986
Total customers directly served by SDIY in the quarter	12	12	12
Regional Truck trips that SDIY Railroad Service replaced in the quarter	17,202	17,202	32,082

Respectfully,

Pete Jespersen

General Manager

Agenda

Item No. 5

San Diego and Arizona Eastern (SD&AE)
Railway Company
Board of Directors Meeting

SDAE 710.1 (PC 50771)

October 10, 2008

SUBJECT:

REPORT ON PACIFIC SOUTHWEST RAILWAY MUSEUM

RECOMMENDATION:

That the SD&AE Board of Directors receive a report for information.

Budget Impact

None.

DISCUSSION:

A report will be presented during the meeting.

Attachment: Third Quarter Report for 2008

Pacific Southwest Railway Museum

4695 Nebo Drive
La Mesa, CA 91941-5259

October 3, 2008

SD&AE Board
C/O MTS
1255 Imperial Av #1000
San Diego, CA 92101

THIRD QUARTER REPORT FOR 2008

Here are the highlights for this quarter:

1. Using all volunteer crews, in the third quarter, we ran 34 passenger trains carrying 943 passengers with no FRA reportable accidents or incidents. Our check for the 3rd quarter 2008 revenue is being sent under separate cover.
2. As the summer weather comes to an end at Campo, our ridership and number of visitors increases. While the high cost of fuel is negatively affecting our ridership and our costs for train operations, we are happy to report that all ten North Pole Limited trains with Santa have been sold out. Also, our Tecate trains are starting to sell better as well.
3. We are installing an alarm system for the Campo Depot. The restroom project is also going full steam ahead, with the goal of completing that project in time for the North Pole Limited trains in November.
4. We note with great sadness that the old SD&AE refer car at Dubbers spur was recently cut up for scrap. While it had suffered extensive fire damage over the years, it did serve as a reminder that this area was used for many years by the SD&A/SD&AE as a maintenance yard for the Carriso Gorge portion of the line. Now that historic fabric

A California Non-Profit, Public Benefit Corporation, IRS Tax # 95-2374478

Owners and operators of the Railroad Museum in Campo,
San Diego & Arizona Railway and the La Mesa Depot Museum

back to the past is gone forever. We suggest that the SD&AE Board direct that CZRy transport the two SD&AE tank cars back where they were located for decades prior to their removal by CZRy – namely at the tunnel 16 spur track and the Coyote Wells siding. Any minimal costs for this effort should be covered by the scrap value received by CZRy for scrapping the SD&AE asset. In this way, the historic items will be returned to their historic places and will make scrapping them in the future less likely.

5. Beginning in January, the Museums new President will be Diana Hyatt. She will serve a two year term. At this time, I am uncertain who will be appointed as the liaison between the Museum and the SD&AE Railway.

Thank you for your continued cooperation.

Sincerely,

Jim Lundquist

President, Pacific Southwest Railway Museum

Agenda

Item No. 6

San Diego and Arizona Eastern (SD&AE)
Railway Company
Board of Directors Meeting

SDAE 710.1 (PC 50771)

October 10, 2008

SUBJECT:

REPORT ON THE DESERT LINE

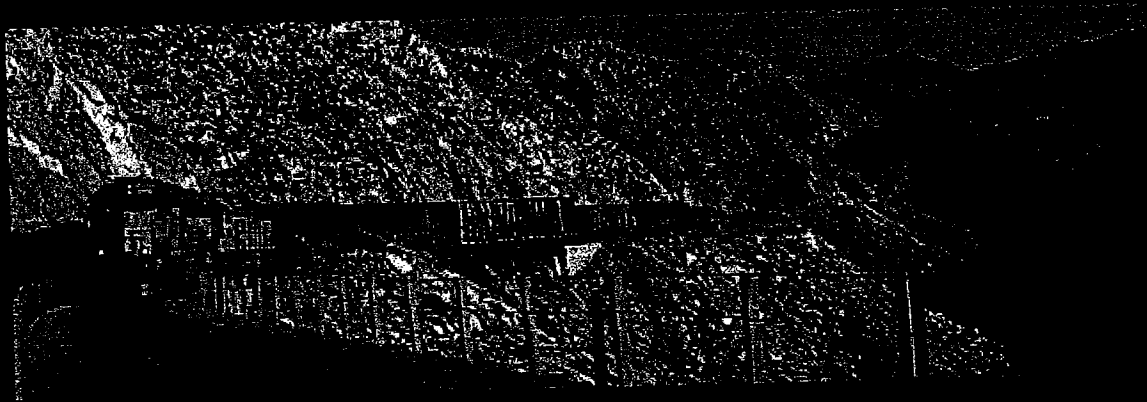
RECOMMENDATION:

That the SD&AE Board of Directors receive a report for information

Budget Impact

None.

Attachment: 3rd Quarter Report for 2008



Carrizo Gorge Railway

Periodic Report

To the San Diego & Arizona eastern Railway Company

Third Quarter 2008

The periodic Report to the SD&AE Railway Company is produced quarterly by the Carrizo Gorge Railway, Inc for the SD&AE Board, in fulfillment of contractual requirements and to document activity in the restoration of the line to regional service along with its ongoing improvement for future generations.

Cover Carrizo Gorge Railway Accomplishments during third quarter

Third Quarter 2008

Carrizo Gorge Railway, Inc.

CONTENTS

3nd QUARTER 2008 ACTIVITY

Appendix A- MOW Summary

**Appendix B- Desert Line Track Rehabilitation
Offset Financial Summary**

**Appendix C- Deserte Line Freigth Revenues
Financial Summary**

**Third Quarter 2008
Carrizo Gorge Railway, Inc.**

CARRIZO GORGE RAILWAY, INC

2295 Fletcher Parkway, Suite 101, El Cajon Ca 92020

Phone (619) 938-1943

Fax(619) 561-4367

September 30, 2008

Metropolitan Transit Development Board
San Diego & Arizona Eastern Railway Board
1255 Imperial Avenue 10th floor
San Diego, California 92101

Pursuant to reporting agreement, here is the summary of 3rd Quarter activity for 2008

PERIODIC REPORT

I. Labor

As of September 30, 2008, the Carrizo Gorge Railway has 17 employees to cover overall administration of the road and operations in the U.S. on the Desert Line.

- 4 Administration
- 1 Marketing
- 1 Purchasing Agent
- 6 Track Maintenance
- 1 Division Engineer
- 3 Train Crew
- 3 Railroad police
- 1 Railroad police chief

Third Quarter 2008

Carrizo Gorge Railway, Inc

II. Marketing

Carrizo Gorge Railway has continued an aggressive marketing effort attempting to attract new business from various different areas from moving agricultural product from the Imperial Valley to Mexico to connecting with the new efforts being made by the port of Ensenada in moving intermodal traffic to the interior of Mexico and the USA

Carrizo Gorge Railway continues to negotiate new agreements and is aggressively pursuing connecting with existing routes to improve our economic situation

Despite the current economic uncertainty Carrizo Gorge Railway sees a potentially good year ahead.

III. Desert Line

Carrizo Gorge Railway is the rail freight operator on the Desert Line by contractual agreement with Rail America/ SD&IV and with the approval of SD&AE/ MTDB.

During this period we began an evaluation of the line from Division to Plaster City to evaluate what is needed to improve safety, increase speed and improve overall operations once this evaluation is completed we will prepare an action plan that will guide our efforts for the next five years.

During this period we have continued to perform regular track maintenance as well as continue to remove weed to mitigate the fire hazardous during this critical period.

At the August 15, 2008 meeting of the SD&AE Board of Directors, Carrizo Gorge Railway, Inc. was requested to provide a plan for a Bridge Project for the Desert Line of the SD&AE. Pursuant to that request, Carrizo Gorge Railway, Inc. submitted a proposal to the staff of SD&AE proposing to complete all Priority 2 and Priority 3 bridge repairs as outlined based on the recommendation of the "Osmose Report" within a three year time frame. Upon the date of approval of the SD&AE Board of Directors, Carrizo Gorge Railway, Inc. will begin construction efforts within 120 calendar days. This time frame will enable us to assemble the necessary materials, equipment and qualified personnel to begin this extensive capital project. Carrizo Gorge Railway will complete all Priority 2 bridges first followed by the Priority 3 bridges. We look forward to our continued commitment of investment in the Desert Line of the SD&AE which is a critical component of the San Diego/Baja California border region transportation infrastructure.

Third Quarter 2008

Carrizo Gorge Railway, Inc

Carrizo Gorge Railway has temporarily discontinued the sand haul due to the current economics of the construction industry's supply and demand.

There were no weather or geological problems during the third quarter of 2008.

IV. Reportable Injuries / Environmental Incidents

There were no reportable injuries during the third Quarter of 2008.

There were no reportable accident in the third Quarter of 2008.

There were no environmental incidents during the third Quarter of 2008.

V. Freight Activity

From July 01, 2008 to September 30, 2008.

MOW Sand carloads moved on the Desert Line	0
Revenue Sand carloads moved on the Desert Line	0
Revenue Freight carloads moved to/from Seeley Via interchange with UPRR, on the Desert Line	44
Non-Revenue Freight carloads moved from UPRR and USG, on the Desert Line	
Revenue Freight carloads terminating/originating in Mexico to/from San Ysidro via interchange with SD&IV Railroad	1382
Total overall third Quarter 2008 Carloads Moved	1426

Third Quarter 2008

Carrizo Gorge Railway, Inc

VI. Mexican Railroad

Carrizo Gorge Railway, Inc with the assistance of it's subsidiary Ferrocarriles CZRY de Baja California SA de CV provide technical support as well as operate the Tijuana-Tecate line on behalf of ADMICARGA a paraestatal of the State of Baja California, Mexico and the designee of such line.

Carrizo Gorge Railway, Inc provide services to/from Mexico via the San Ysidro port of entry as well as the Tecate/Lindero port of entry

Current negotiations with the government of Baja California on an extension of our operating agreement have concluted and the contract is currently awaiting signature.

CURRENT MEXICO PERSONNEL

2	Manager
1	Administrative Assistance
1	Trainmaster
3	Dispatchers
3	Train Engineers
6	Conductors
1	Mechanic
1	Car Inspector
1	Division Engineer
1	Track Inspector
2	Track Supervisor
10	Track laborer

Respectfully

Armando Freire
Chief Operations Officer
Carrizo Gorge Railway, Inc

Carrizo Gorge Railway, Inc
DESERT LINE
July – August - September 2008

GENERAL RIGHT-OF-WAY
WEED ABATE PROGRAM REPORT

Date of conclude	From MP	To MP	Conclude Miles
Before the new program	67.1	70.5	3.4
Before the new program	71.0	74.0	3.0
Before the new program	74.9	75.8	0.9
Before the new program	76.0	76.5	0.5
Before the new program	80.3	80.4	0.1
Before the new program	81.0	81.5	0.5
Before the new program	82.3	83.7	1.4
8-Sep	83.7	85.0	1.3
5-Sep	85.4	86.1	0.7
4-Sep	87.4	88.4	1.0
3-Sep	88.8	88.9	0.1
2-Sep	90.1	93.5	3.4
Sep/22 to Sep/26	93.5	94.2	0.7
19-Sep	94.2	94.4	0.2
18-Sep	94.4	94.7	0.3
17-Sep	94.7	95.0	0.3
12-Sep	95.0	95.1	0.1
11-Sep	95.4	95.6	0.2
10-Sep	95.6	95.7	0.1
9-Sep	95.7	95.8	0.1
Total Miles			18.3

Appendix A
M.O.W. SUMMARY

Carrizo Gorge Railway, Inc
DESERT LINE

July – August - September 2008

WEED ABATE PROGRAM REPORT

From MP	To MP	Pending Miles
67.0	67.1	0.1
70.5	71.0	0.5
74.0	74.9	0.9
75.8	76.0	0.2
76.5	80.3	3.8
80.4	81.0	0.6
81.5	82.3	0.8
85.0	85.4	0.4
86.1	87.4	1.3
88.4	88.8	0.4
88.9	90.1	1.2
95.1	95.4	0.3
95.8	96.0	0.2
	Total Miles	10.7

Appendix B
OFFSET FINANCIAL SUMMARY

Carrizo Gorge Railway, Inc
DESERT LINE

July – August - September 2008

There was no production or commercial sale of sand from M.O.W. activity on the Desert Line during third Quarter 2008.

Carrizo Gorge Railway, Inc
DESERT LINE

July – August - September 2008

REVENUE FREIGHT HAULED

Railcar loads to/from UP Interchange, Seeley /Plaster City	44
Railcar loads revenue sand from Dixie (Plaster City) to Campo	0
Total	44

Track Use Fees:

Interchange freight to/from UPRR over the Desert Line

SD&AE / MTS 1% payment	\$ 99.00
SD&IV / Rail America payment 6.9	470.70

Revenue Sand from Dixie to Campo

SD&AE / MTS 1% payment	0.00
SD&IV RailAmerica payment (0 cars at \$0.00 each)	0.00



Metropolitan Transit System

1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
619.231.1466, FAX: 619.234.3407

Agenda

Item No. 7

JOINT MEETING OF THE BOARD OF DIRECTORS
for the
Metropolitan Transit System,
San Diego Transit Corporation, and
San Diego Trolley, Inc.

FIN 340.2 (PC 50601)

October 30, 2008

SUBJECT:

MTS: STATE TRANSIT ASSISTANCE (STA) CLAIMS

RECOMMENDATION:

That the Board of Directors adopt Resolution No. 08-22 (Attachment A) approving fiscal year (FY) 2009 STA claims.

Budget Impact

This action would result in the receipt of \$14,079,188 in STA funds for MTS-area operators for FY 09 operations and capital improvement projects.

DISCUSSION:

Attachment A reflects the detailed breakdown of the claim.

STA Claims \$14,079,188

Discretionary STA funds are distributed to MTS each year on the basis of population. Formula STA funds are distributed on the basis of revenue generated. Like all of the other funds available for transit in the MTS area, the FY 09 STA funds totaling \$14,079,188 would be pooled to balance the combined budget.



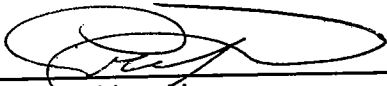
Metropolitan Transit System (MTS) is comprised of the Metropolitan Transit Development Board (MTDB) a California public agency, San Diego Transit Corp., and San Diego Trolley, Inc., in cooperation with Chula Vista Transit and National City Transit. MTS is Taxicab Administrator for eight cities. MTDB is owner of the San Diego and Arizona Eastern Railway Company. MTDB Member Agencies Include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.

State law and MTS Policy No. 20 "Allocation of State Transit Assistance Funds" require that priority consideration be given to STA claims for the following purposes:

- to enhance existing public transportation services;
- to meet priority regional, county, or area-wide public transportation needs; and
- to offset reductions in federal operating assistance and unanticipated increases in fuel costs.

Periodic Review of Expenditures

The San Diego Association of Governments (SANDAG) requires each operator to submit at least quarterly operating reports to SANDAG staff for review. These reports allow SANDAG, local jurisdictions, and operators to track STA expenditures during the course of the fiscal year with appropriate budget and operational adjustments made as necessary. In certain instances, it may be necessary to revise the original STA claims.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Nancy Dall, 619.557.4537, nancy.dall@sdmts.com

OCT30-08.7.STA CLAIMS.NDALL.doc

Attachment: A. MTS Resolution No. 08-22

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

RESOLUTION NO. 08-22

Resolution Approving the MTS Area FY 09 STA Claim

WHEREAS, California Public Utilities Code Sections 99313.3 and 99313.6 established a State Transit Assistance (STA) fund and grants the Metropolitan Transit System (MTS) authority to allocate monies from this fund; and

WHEREAS, MTS Policy No. 20 established procedures for allocating these STA funds; and

WHEREAS, MTS qualifies for STA monies under the provision of Public Utilities Code Section 99260 et seq.; and

WHEREAS, the sum of the claimant's allocations of STA and Transportation Development Act (TDA) funds do not exceed the amounts they are eligible to receive during the fiscal year; and

WHEREAS, the claimants are receiving the maximum of allowable amounts from the local transportation fund; and

WHEREAS, the San Diego Association of Governments (SANDAG) has determined the claimants have participated in efforts to define transit productivity recommendations and have made a reasonable effort toward implementing these recommendations in FY 09; and

WHEREAS, the claimants are operating in conformance with MTS Policy No. 17, "Transportation Development Act Rules and Regulations;" and

WHEREAS, the claimants' proposed expenditures of STA monies are in conformance with the Regional Transportation Plan and Transportation Improvement Program; and

WHEREAS, priority consideration has been given to claims to offset reductions in federal operating assistance and the unanticipated increase in the cost of fuel to enhance existing public transportation services and to meet high-priority, area-wide public transportation needs; and

WHEREAS, the claims are consistent with the requirements of Public Utilities Code Section 99314.5, California Administrative Code Section 6754, and MTS Policy No. 20; and

WHEREAS, the claimants are not precluded by any contract or administrative code entered into on or after June 28, 1979, from employing part-time drivers or from contracting with common carriers or persons operating under a franchise or license; and

WHEREAS, no full-time employee of the claimants on June 28, 1979, has had his or her employment terminated or regular hours of employment reduced, excluding drivers or contracting with common carriers; NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED that the MTS Board does hereby direct and empower MTS staff to prepare and transmit allocation instructions to the County Auditor to disburse to MTS the FY 09 amounts totaling \$14,079,188.

PASSED AND ADOPTED by the Board this _____ day of _____ 2008, by
the following vote:

AYES:

NAYS:

ABSENT:

ABSTAINING:

Chairman
San Diego Metropolitan Transit System

Filed by:

Approved as to form:

Office of the Clerk of the Board
San Diego Metropolitan Transit System

Office of the General Counsel
San Diego Metropolitan Transit System

OCT30-08.7.STA CLAIM.RESO 08-22.NDALL.doc



1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
619.231.1466, FAX: 619.234.3407

Agenda

Item No. 8

JOINT MEETING OF THE BOARD OF DIRECTORS
for the
Metropolitan Transit System,
San Diego Transit Corporation, and
San Diego Trolley, Inc.

AG 210.9 (PC 50102)

October 30, 2008

SUBJECT:

MTS: OFFICE OF HOMELAND SECURITY GRANT APPLICATIONS

RECOMMENDATION:


That the Board of Directors adopt Resolution No. 08-23 (Attachment A) authorizing the Chief Executive Officer (CEO) to submit applications for fiscal year 2008-2009 California Transit Security Grant Program—State Transit Assistance Agencies funding.

Budget Impact

None.

DISCUSSION:

Resolution No. 08-23 would authorize filing applications with and requesting reimbursements from the California Office of Homeland Security (OHS) and would satisfy requirements of fiscal year 2008-2009 California Transit Security Grant Program—State Transit Assistance Agencies funding. MTS's allocation for fiscal year 2009 is \$2,779,445.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Nancy Dall, 619.557.4537, nancy.dall@sdmts.com

OCT30-08.8.OHS GRANT APPL.NDALL.doc

Attachment: A. Resolution No. 08-23



Metropolitan Transit System (MTS) is a California public agency and is comprised of San Diego Transit Corporation and San Diego Trolley, Inc. nonprofit public benefit corporations, in cooperation with Chula Vista Transit and National City Transit. MTS is the taxicab administrator for eight cities and the owner of the San Diego and Arizona Eastern Railway Company. MTS member agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

RESOLUTION NO. 08-23

Resolution Approving the Submittal of Applications and Requests for
Fiscal Year 2008-2009 California Transit Security Grant Program Funding

WHEREAS, the San Diego Metropolitan Transit System (MTS) is a public entity established under the laws of the State of California for the purpose of providing transportation services in the County of San Diego who desires to apply for and obtain funding for transit security purposes.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED that the MTS Board does hereby direct and empower MTS staff to prepare and transmit allocation instructions to the County Auditor to disburse to MTS the state financial assistance provided by the Governor's Office of Homeland Security totaling \$2,779,445.

PASSED AND ADOPTED by the Board this _____ day of _____ 2008, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAINING:

Chairman
San Diego Metropolitan Transit System

Filed by:

Approved as to form:

Office of the Clerk of the Board
San Diego Metropolitan Transit System

Office of the General Counsel
San Diego Metropolitan Transit System



1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
619.231.1466, FAX: 619.234.3407

Agenda

Item No. 9

JOINT MEETING OF THE BOARD OF DIRECTORS
for the
Metropolitan Transit System,
San Diego Transit Corporation, and
San Diego Trolley, Inc.

AG 210.9 (PC 50102)

October 30, 2008

SUBJECT:

MTS: PUBLIC TRANSPORTATION MODERNIZATION, IMPROVEMENT, AND
SERVICE ENHANCEMENT ACCOUNT FUNDING

RECOMMENDATION:

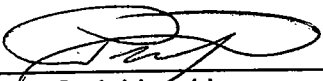
That the Board of Directors adopt Resolution No. 08-24 (Attachment A) authorizing the Chief Executive Officer (CEO) to submit applications for fiscal year 2008-2009 California Public Transportation Modernization, Improvement, and Service Enhancement Account—State Transit Assistance Agencies funding.

Budget Impact

None.

DISCUSSION:

Resolution No. 08-24 would authorize filing applications with and requesting reimbursements from the State Controller's Office. MTS's allocation for fiscal year 2009 is \$15,653,734.


Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Nancy Dall, 619.557.4537, nancy.dall@sdmts.com

OCT30-08.9.STA FUNDING.NDALL.doc

Attachment: A. Resolution No. 08-24



Metropolitan Transit System (MTS) is a California public agency and is comprised of San Diego Transit Corporation and San Diego Trolley, Inc. nonprofit public benefit corporations, in cooperation with Chula Vista Transit and National City Transit. MTS is the taxicab administrator for eight cities and the owner of the San Diego and Arizona Eastern Railway Company. MTS member agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

RESOLUTION NO. 08-24

Resolution Approving the Submittal of Applications and Requests for Fiscal Year 2008-2009 California
Public Transportation Modernization, Improvement and Service Enhancement Funds

WHEREAS, the San Diego Metropolitan Transit System (MTS) is a public entity established under the laws of the State of California for the purpose of providing transportation services in the County of San Diego who desires to apply for and obtain funding for modernization and enhancement purposes.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED that the MTS Board does hereby direct and empower MTS staff to prepare and transmit allocation instructions to the County Auditor to disburse to MTS the state financial assistance provided by the State Controller's Office public transportation modernization, improvement and service enhancement account funds totaling \$15,653,734.

PASSED AND ADOPTED by the Board this _____ day of _____ 2008, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAINING:

Chairman
San Diego Metropolitan Transit System

Filed by:

Approved as to form:

Office of the Clerk of the Board
San Diego Metropolitan Transit System

Office of the General Counsel
San Diego Metropolitan Transit System



1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
619.231.1466 FAX 619.234.3407

Agenda

Item No. 10

JOINT MEETING OF THE BOARD OF DIRECTORS
for the
Metropolitan Transit System,
San Diego Transit Corporation, and
San Diego Trolley, Inc.

FIN 300 (PC 50601)

October 30, 2008

SUBJECT:

MTS: INVESTMENT REPORT – SEPTEMBER 2008

RECOMMENDATION:

Receive a report for information.


Budget Impact

None.

DISCUSSION:

The attached schedule (Attachment A) is a report of MTS investments as of September 2008. The report is broken into two columns—the first column relates to investments restricted for capital support or debt service, and the second column is the unrestricted portion. As the schedule shows, the overwhelming bulk of investments are restricted primarily for debt service related to the payments on the 1995 Lease and Leaseback transactions.

The second column (unrestricted assets) provides the working capital for MTS operations for employee payroll and vendors' goods and services. This column includes the investment in San Diego Transit Corporation's pension obligation bonds that were repurchased and represents an asset that is not currently liquid. It is expected that the bonds will be remarketed during the next six months, which will liquidate this asset.


Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Tom Lynch, 619.557.4538, tom.lynch@sdmts.com

OCT30-08.10.INVESTMT RPT SEPT 08.LMUSENGO.doc

Attachment: A. Investment Report



**San Diego Metropolitan Transit System
Investment Report
9/30/2008**

	<u>Restricted</u>	<u>Unrestricted</u>	<u>Avg. Rate of Return</u>
Cash and Cash Equivalents	\$ 9,620,774	11,887,785	0.32%
Investments - Working Capital	23,653,560	10,674,268	2.77%
Cash - Restricted for Capital Support	8,299,158	-	N/A
Investments - Restricted for Debt Service	117,302,270	-	N/A
Investment in POBs*	-	34,722,872	4.50%
Total Cash and Investments	\$ 158,875,763	\$ 57,284,924	

Controller: _____ Date: _____



1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
619.231.1466 FAX 619.234.3407

Agenda

Item No. 11

JOINT MEETING OF THE BOARD OF DIRECTORS
for the
Metropolitan Transit System,
San Diego Transit Corporation, and
San Diego Trolley, Inc.

LEG 491 (PC 50633)

October 30, 2008

SUBJECT:

MTS: INCREASED AUTHORIZATION FOR LEGAL SERVICES – LAW OFFICES OF
R. MARTIN BOHL

RECOMMENDATION:

That the Board of Directors to authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G1072.2-07 (in substantially the same form as Attachment A) with the Law Offices of R. Martin Bohl for legal services and ratify prior amendments entered into under the CEO's authority.

Budget Impact

Not to exceed \$100,000 for the Law Offices of R. Martin Bohl. The recommended amounts are contained within the fiscal year 2009 budget.

DISCUSSION:

On January 18, 2007, the Board approved a list of qualified attorneys for joint development projects for use by MTS, San Diego Trolley, Inc. (SDTI), and San Diego Transit Corporation (SDTC) (hereinafter referred to as the Agencies) staffs on an as-needed basis. Thereafter, MTS began to contract with approved attorneys for various amounts depending upon current and anticipated needs.

Pursuant to Board Policy No. 52 (Procurement of Goods and Services), the CEO may enter into contracts with service providers for up to \$100,000. The Board must approve all agreements in excess of \$100,000. Mr. Bohl has multiple projects that he is working



Metropolitan Transit System (MTS) is comprised of the Metropolitan Transit Development Board (MTDB) a California public agency, San Diego Transit Corp., and San Diego Trolley, Inc., in cooperation with Chula Vista Transit and National City Transit. MTS is Taxicab Administrator for eight cities. MTDB is owner of the San Diego and Arizona Eastern Railway Company. MTDB Member Agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.

on for the Agencies, and the total cost of his legal services will exceed the CEO's authority.

The Law Offices of R. Martin Bohl is currently under contract with the Agencies for \$100,000. Attorney Marty Bohl has successfully represented the Agencies in a number of joint development projects, including Morena Vista and Grossmont Trolley Station. Pending invoices for recent and current services are anticipated to exceed current contract authority.

The CEO has approved the base contract and initial amendment up to the \$100,000 authority level. Staff is requesting that the Board approve MTS Doc. No. G1072.2.07 with the Law Offices of R. Martin Bohl for legal services and ratification of prior contracts/ amendments entered into under the CEO's authority.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Tiffany Lorenzen, 619.557.4512, tiffany.lorenzen@sdmts.com

OCT30-08.11.LEGAL SVCS BOHL.TLOREN.doc

Attachment: A. MTS Doc. No. G1072.2-07

DRAFT

October 30, 2008

MTS Doc. No. G1072.2-07
LEG 490 (PC 50121-53110)

Mr. R. Martin Bohl
Law Offices of R. Martin Bohl
501 West Broadway, Suite 520
San Diego, CA 92101-3544

Dear Mr. Bohl:

Subject: AMENDMENT NO. 2 TO MTS DOC. NO. G1072.0-07: LEGAL SERVICES – GENERAL
LAND USE

This letter will serve as Amendment No. 2 to MTS Doc. No. G1072.0-07. This contract amendment authorizes additional costs not to exceed \$100,000 for professional services. The total value of this contract, including this amendment, is \$200,000. Additional authorization is contingent upon MTS approval.

If you agree with the above, please sign below and return the document marked "Original" to the Contracts Specialist at MTS. The other copy is for your records.

Sincerely,

Accepted:

Paul C. Jablonski
Chief Executive Officer

R. Martin Bohl
Law Offices of R. Martin Bohl

Date: _____

OCT23-08.D2.AttA.BOHL LEGAL
SVCS G1072.2-07.TLOREN.doc



1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
619.231.1466, FAX: 619.234.3407

Agenda

Item No. 12

JOINT MEETING OF THE BOARD OF DIRECTORS
for the
Metropolitan Transit System,
San Diego Transit Corporation, and
San Diego Trolley, Inc.

CIP 11166

October 30, 2008

SUBJECT:

MTS: TICKET VENDING MACHINE REPROGRAMMING

RECOMMENDATION:

That the Board of Directors to:

1. authorize the Chief Executive Officer (CEO) to execute a Memorandum of Understanding (MOU) (in substantially the same form as Attachment A) with the San Diego Association of Governments (SANDAG) for Ticket Vending Machine (TVM) reprogramming; and
2. approve a fund transfer from Capital Improvement Project (CIP) 11166 – CCTV Surveillance Equipment to SANDAG's CIP 1145700 – Fare Technology (in substantially the form as shown on Attachment B - Budget Transfer Summary).

Budget Impact

\$127,904 would be transferred from MTS CIP 11166 to SANDAG CIP 1145700.

DISCUSSION:

On June 13, 2008, the SANDAG Transportation Committee approved amendments to the Regional Comprehensive Fare Ordinance. Those changes necessitated reprogramming of the Ticket Vending Machines (TVM). Cubic completed the work to implement the new fare structure in September. The \$127,904 was covered by SANDAG using other funds until such a time when a budget transfer could be completed. Staff has identified federal grant funding that can be used for the Park & Market Station surveillance equipment and is therefore recommending the transfer of \$127,904 from CIP 11166 – CCTV Surveillance Equipment to SANDAG's CIP 1145700 – Fare Technology.



Metropolitan Transit System (MTS) is a California public agency and is comprised of San Diego Transit Corporation and San Diego Trolley, Inc. nonprofit public benefit corporations, in cooperation with Chula Vista Transit and National City Transit. MTS is the taxicab administrator for eight cities and the owner of the San Diego and Arizona Eastern Railway Company. MTS member agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.

An MOU between MTS and SANDAG outlining the scope and cost of the project (Attachment A) is attached for information.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Sharon Cooney, 619.557.4513, sharon.cooney@sdmts.com

OCT30-08.12.TVM REPROGRAM.DREISBACHTOWLE..doc

Attachments: A. MOU
B. Budget Transfer Summary

**MEMORANDUM OF UNDERSTANDING
BETWEEN SAN DIEGO ASSOCIATION OF GOVERNMENTS
AND METROPOLITAN TRANSIT SYSTEM
REGARDING FUND TRANSFER FOR TICKET VENDING MACHINE
REPROGRAMMING**

This Memorandum of Understanding ("MOU") is made and entered into effective as of this _____ day of October 2008, by and between the San Diego Association of Governments ("SANDAG") and Metropolitan Transit System ("MTS").

RECITALS

The following recitals are a substantive part of this Agreement:

WHEREAS, at its October 30, 2008, meeting, the MTS Board of Directors approved a fund transfer from MTS Capital Improvement Program (CIP)11166 (CCTV Surveillance Equipment) to SANDAG's CIP 1145700 (Fare Technology) to pay for Ticket Vending Machine reprogramming needed to implement adjustments in the Trolley fare structure; and

WHEREAS, the parties wish to memorialize their agreement in this MOU to carry out the purposes set forth above;

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises set forth herein, the parties agree as follows:

SANDAG AGREES:

1. To use the funding to pay Cubic to reprogram the Ticket Vending Machines to implement the Trolley fare adjustments.
2. To use any funds provided by MTS under this MOU exclusively for the project and to return any remaining project funds to MTS upon completion of the project.
3. Neither MTS nor any officer thereof is responsible for any damage or liability occurring by reason of anything done or omitted to be done by SANDAG under or in connection with any work, authority or jurisdiction delegated to SANDAG under this MOU. It is understood and agreed that, pursuant to Government Code Section 895.4, SANDAG shall fully defend, indemnify and save harmless MTS, all officers and employees from all claims, suits or actions of every name, kind and description brought for or on account of injury (as defined in Government Code Section 810.8) occurring by reason of anything done or omitted to be done by SANDAG under or in connection with any work, authority or jurisdiction delegated to SANDAG under this MOU.

MTS AGREES:

1. To fund the reprogramming of the Ticket Vending Machines.
2. To utilize SANDAG's contractor for this work.
3. To provide staff support on the project at no cost to SANDAG, including, but not limited to, any staff support or cooperation needed to defend any contractor claims that may arise on the project.
4. Neither SANDAG nor any officer thereof is responsible for any damage or liability occurring by reason of anything done or omitted to be done by MTS under or in connection with any work, authority or jurisdiction delegated to MTS under this MOU. It is understood and agreed that, pursuant to Government Code Section 895.4, MTS shall fully defend, indemnify and save harmless SANDAG, all officers and employees from all claims, suits or actions of every name, kind and description brought for or on account of injury (as defined in Government Code Section 810.8) occurring by reason of anything done or omitted to be done by MTS under or in connection with any work, authority or jurisdiction delegated to MTS under this MOU.

THE PARTIES MUTUALLY AGREE:

1. That all obligations of the parties under the terms of this MOU are subject to the appropriation of the required resources by parties and the approval of their respective Boards of Directors.
2. Any notice required or permitted under this MOU may be personally served on the other party, by the party giving notice, or may be served by certified mail, return receipt requested, to the following addresses:

For SANDAG

Attn: Office of General Counsel
401 B Street, Suite 800
San Diego, CA 92101

For MTS

Attn: Office of General Counsel
1255 Imperial Avenue, Suite 1000
San Diego, CA 92101

3. That unless it is amended by the parties in writing, this MOU shall terminate on June 30, 2009, or on such earlier or later date as the parties may agree to in writing. This MOU shall continue in effect unless and until a party to the MOU gives 60 (sixty) days' written notice of its desire to withdraw from the MOU. If such notice is given, the MOU shall continue to be binding on those parties who have not formally withdrawn.
4. The indemnification provisions of this MOU shall survive termination of the MOU.
5. This MOU shall be interpreted in accordance with the laws of the State of California. If any action is brought to interpret or enforce any term of this MOU, the action shall be brought in a state or federal court situated in the County of San Diego, State of California.
6. All terms, conditions, and provisions hereof shall inure to and shall bind each of the parties hereto and each of their respective heirs, executors, administrators, successors, and assigns.

7. For purposes of this MOU, the relationship of the parties is that of independent entities and not as agents of each other or as joint venturers or partners. The parties shall maintain sole and exclusive control over their personnel, agents, consultants, and operations.
8. No alteration or variation of the terms of this MOU shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement not incorporated herein shall be binding on any of the parties hereto.
9. Nothing in the provisions of this MOU is intended to create duties or obligations to or rights in third parties to this MOU or affect the legal liability of the parties to this MOU.
10. This MOU may be executed in any number of identical counterparts, each of which shall be deemed to be an original, and all of which together shall be deemed to be one and the same instrument when each party has signed one such counterpart.

IN WITNESS WHEREOF, the Parties hereto have executed this MOU effective on the day and year first above written.

SAN DIEGO ASSOCIATION OF GOVERNMENTS

METROPOLITAN TRANSIT SYSTEM

GARY L. GALLEGOS
Executive Director

PAUL C. JABLONSKI
Chief Executive Officer

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Office of General Counsel

Office of General Counsel

OCT30-08.12.A11A.TVM MOU.JDREISBACHTOWLE..doc

BUDGET TRANSFER SUMMARY

CIP NO	PROJECT NAME	BUDGETS		
		Existing	Change	Proposed
11166	MTS CCTV	\$150,000	-\$127,904	\$22,096
1145700	SANDAG – Fare Technology	\$48,025,000	\$127,904	\$48,152,904

OCT30-08.12.AttB.TVM MOU.JDREISBACHTOWLE..doc



1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
619.231.1466, FAX: 619.234.3407

Agenda

Item No. 30

JOINT MEETING OF THE BOARD OF DIRECTORS
for the
Metropolitan Transit System,
San Diego Transit Corporation, and
San Diego Trolley, Inc.

ADM 110.3 (PC 50121)

October 30, 2008

SUBJECT:

MTS: AN ORDINANCE AMENDING ORDINANCE NO. 4, AN ORDINANCE ESTABLISHING A METROPOLITAN TRANSIT SYSTEM FARE-PRICING SCHEDULE AND AN ORDINANCE AMENDING ORDINANCE NO. 13, AN ORDINANCE REGARDING PROHIBITED CONDUCT ONBOARD TRANSIT VEHICLES AND PROHIBITED ACTIONS ON OR ABOUT A TRANSIT FACILITY, TROLLEY STATION, OR BUS STOP

RECOMMENDATION:

That the MTS Board of Directors:

1. read the title of Ordinance No. 4, An Ordinance Establishing a Metropolitan Transit System Fare-Pricing Schedule and Ordinance No. 13, an Ordinance Regarding Prohibited Conduct Onboard Transit Vehicles and Prohibited Actions on or About a Transit Facility, Trolley Station, or Bus Stop;
2. waive further readings of the ordinance;
3. introduce the ordinances for further consideration at the next Board meeting on November 13; and
4. direct publication of an ordinance summary.

This action is necessary to make the MTS ordinances consistent with the San Diego Association of Governments' (SANDAG's) Regional Comprehensive Fare Ordinance.

Budget Impact

None.



Metropolitan Transit System (MTS) is comprised of the Metropolitan Transit Development Board (MTDB) a California public agency, San Diego Transit Corp., and San Diego Trolley, Inc., in cooperation with Chula Vista Transit and National City Transit. MTS is Taxicab Administrator for eight cities. MTDB is owner of the San Diego and Arizona Eastern Railway Company. MTDB Member Agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.

DISCUSSION:

SANDAG has been responsible for governing the fare structure for public transportation services in San Diego County since 2003. SANDAG administers this function through the Regional Comprehensive Fare Ordinance. MTS still maintains its own fare ordinance, Ordinance No. 4, to provide for a mechanism for fare enforcement and issuing citations.

On June 13, 2008, SANDAG approved amendments to the Regional Comprehensive Fare Ordinance. MTS proposes adoption of the amendments to Ordinance No. 4 contained in Attachment A in order to maintain consistency with the Regional Comprehensive Fare Ordinance and ensure enforceability. None of the amendments changes fare levels. The following is a summary of the changes:

- Compass Card Inclusion

The Compass Card will be phased in as a fare medium by the end of FY 2009 replacing the current paper versions of most monthly and multiday passes. All Compass Card products are planned to be available by January 1, 2009. SANDAG plans to phase out paper media according to the following schedule:

January 1, 2009	Premium Express Monthly Pass
March 1, 2009	Coaster Monthly Pass
May 1, 2009	Breeze Monthly Pass
July 1, 2009	Regional Monthly Pass

- Inclusion of 30-Day and 14-Day Passes

Most monthly passes will be converted to 30-day rolling passes when they are transferred from paper media to Compass Card. The exception is the College Monthly Pass, which will not be offered on Compass Card because the fare medium is a sticker affixed to the student identification card. In addition, a new 14-day rolling pass will be offered. This pass will replace the half-month pass that is currently available only after the 15th of each month.

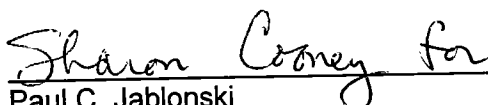
- Removal of Outdated Language

References to the following discontinued services and fare types are deleted:

1. Trolley zone fares except for the \$2.50 downtown fare; and
2. Direct Access to Regional Transit (DART) services and fares.

In order to ensure proper use of the Compass Card and the validator machines, modifications have also been made to MTS Ordinance No. 13. These proposed modifications will allow Code Compliance Officers to issue citations and revoke Compass Cards if riders fail to "tap" on and/or off the MTS transit system when required.

This item is being placed before the Board for its first reading; the second reading is scheduled for November 13, 2008.


Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Mark Thomsen, 619.595.4909, mark.thomsen@sdmts.com

OCTOBER30-08.30.ORDINANCE NO 4.MTHOMSEN.DOC

Attachments: A. Proposed Amended Codified Ordinance No. 4
B. Proposed Amended Codified Ordinance No. 13

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

CODIFIED ORDINANCE NO. 4
(as amended through ~~7/17/08~~ 10/30/08)An Ordinance Establishing a Metropolitan Transit System
Fare-Pricing ScheduleSection 4.1: Findings

This Ordinance is adopted to implement a Metropolitan Transit System (MTS) Fare-Pricing Schedule approved by the Metropolitan Transit System Board of Directors and to authorize future modifications or amendments to the schedule to be made by the MTS Board of Directors.

Section 4.2: Definitions

A. Senior - Any person 60 years of age or older. Acceptable proof of senior fare eligibility shall be a Medicare Card, a valid driver's license, a State of California Senior identification card, or an MTS identification card in the MTS area, or a North County Transit District (NCTD) identification card in the NCTD area. This definition applies to persons who seek to purchase and/or use a Senior/Disabled/Medicare Monthly Pass or Senior/Disabled/Medicare cash fare on fixed-route transit or general public demand-responsive services.

B. Disabled/Medicare - Any person with a permanent or temporary mental or physical disability. Acceptable proof of disabled fare eligibility shall be an MTS identification card, Medicare Card, NCTD disabled identification card, State of California Department of Motor Vehicles (DMV) disabled identification card, or DMV placard identification card. This definition applies to persons who seek to purchase and/or use a Senior/Disabled/Medicare Monthly Pass or Senior/Disabled/Medicare cash fare for fixed-route transit or general public demand-responsive services.

C. Youth - Any person 6-18 years of age (inclusive). Acceptable proof of youth fare eligibility in the MTS area shall be an MTS Youth identification card, a valid driver's license, or current school photo identification card (through high school only). NCTD shall control youth pass eligibility at the point of purchase.

D. College Student - Any person enrolled as a student with a current enrollment for seven units or more in a participating accredited San Diego area post-secondary school.

E. Child - Any person five years of age or under.

F. Compass Card - The Compass Card is an electronic fare medium based on contactless smart card technology. The Compass Card can hold either transit products or cash for use on regional transit services. Transit products include, but are not limited to, multiday passes, college semester passes, and special event period passes. The Compass Card utilizes wireless technology to interface with Compass validator devices on regional buses, rail platforms, and regional ticket vending machines. Patrons using their Compass Card must touch or tap their card to a validator device before each ride as a condition precedent to using MTS services.

FG. Bus - Rubber-tired transit vehicles operated by MTS San Diego Transit Corporation, Chula Vista Transit, ~~MTS~~, MTS Contract Services, and NCTD.

GH. Trolley - Light rail transit vehicles operated by San Diego Trolley, Incorporated.

HI. Local Service - Bus service on local roads serving neighborhood destinations and feeding transit centers in the immediate area.

IJ. Urban Service - Moderate-speed bus service primarily on arterial streets with frequent stops.

JK. Express Service - Bus service with stops only at major transit centers, residential centers and activity centers; has more than six stops outside Centre City or at collector end of route; generally traveling less than 50 percent of the one-way trip miles on freeways and averaging at least 15 miles per hour, with an average passenger trip length of approximately 10.0 miles or under, and uses standard transit buses.

KL. Premium Express - Bus service with stops only at major transit centers, residential centers and activity centers; generally traveling 50 percent or more of the one-way trip miles on freeways; averaging at least 20 miles per hour, with an average passenger trip length of over 10.0 miles, and using commuter coaches.

LM. Rural Service - Bus service providing limited daily or weekly service linking rural Northeastern and Southeastern San Diego County to a multimodal transit center or major shopping center generally provided on a two-lane highway or roadway with one-way vehicle trip lengths ranging from 15 to 80 miles.

MN. Centre City San Diego - That portion of downtown San Diego bordered by Laurel Street to Interstate 5 (I-5) on the north, Commercial Street to I-5 on the south, I-5 on the east, and the waterfront on west. The 11 stations in City Centre San Diego are: County Center/Little Italy, Santa Fe Depot, America Plaza, Seaport Village, Convention Center, Gaslamp Quarter, 12th & Imperial Transit Center, Park & Market, City College, Fifth Avenue, Civic Center

NO. Station - That fixed site at which the San Diego Trolley stops to load and unload passengers.

OP. Zone(s) - For ADA complementary paratransit service, a zone is the geographical area defined by fixed boundaries within which particular fares are established. The boundaries for the zones are determined by each of the contracting agencies for the local operator of the paratransit service. The zones are as follows:

Zone 1 Central San Diego

Zone 2 Mid-County: Poway, Rancho Bernardo, Rancho Peñasquitos, Carmel Mountain Ranch, and Sabre Springs

Zone 3 East County: La Mesa, El Cajon, Santee, Lakeside, Lemon Grove, Spring Valley, and parts of Alpine

Zone 4 South Bay: Chula Vista, Coronado, National City, Imperial Beach, Palm City, Nestor, Otay Mesa, and San Ysidro

PQ. Transfer - The action by passengers in which they leave one bus or rail vehicle and board a subsequent bus or rail vehicle to complete their trips.

QR. Upgrade - An additional fare required to enhance the value of an original fare (upon transfer) or a pass to travel on a higher-fare service.

RS. ADA Complementary Paratransit Service - Specialized curb-to-curb transportation services provided to persons who qualify as eligible for such services under the guidelines of the ADA. Except for commuter bus, commuter rail, or intercity rail systems, each public entity operating a fixed-route system shall provide complementary paratransit or other special service to individuals with disabilities (who cannot access or use fixed-route transit due to a qualifying disability) that is comparable to the level of service provided to individuals without disabilities who use the fixed-route system.

ST. Personal Care Attendant - In relation to the ADA complementary paratransit service, a personal care attendant is a person who is designated by the ADA eligible passenger to aid in their mobility. The person may be a friend, family member, or paid employee. A personal care attendant is not charged a fare on the ADA complementary paratransit service vehicle on which she/he accompanies the ADA-eligible passenger. The need for and use of a personal care attendant must be indicated at the time of eligibility certification.

TU. Dedicated Transportation Service - In relation to social services agencies or other organizations, a dedicated transportation service is defined as paratransit vehicle usage that is set apart for and guaranteed to an agency for the transportation of its eligible clients. The vehicle, for a particular time frame, is for the definite use of these persons and a ride is unavailable to other eligible persons within the community.

UV. Pass, Tokens, and Ticket Sales Commission - The amount of money that is retained from the retail purchase price by an authorized pass sales outlet on the sale of each monthly pass, token, prepaid ticket, or day pass. The following chart shows the Pass Sales Commissions:

FARE MEDIA	RETAIL PRICE	COMMISSION AMOUNT (\$)	COMMISSION AMOUNT (%)	EFFECTIVE DATE
Monthly Pass	\$64.00	\$0.64	1.0%	1/1/08
Monthly or 30-Day Pass	\$68.00	\$0.68	1.0%	1/1/09
Monthly or 30-Day Pass Premium	\$90.00	\$1.35	1.5%	1/1/08
Monthly Pass Senior/Disabled/Medicare (Terminates 1/1/09)	\$16.00	\$0.24	1.5%	1/1/08
Monthly or 30-Day Pass Senior/Disabled/Medicare \$17.00		\$0.25	1.5%	1/1/09
Monthly or 30-Day Pass Premium Senior/Disabled/Medicare \$22.50		\$0.34	1.5%	1/1/09
Monthly or 30-Day Pass Youth (Terminates 1/1/09)	\$32.00	\$0.48	1.5%	1/1/08
Monthly or 30-Day Pass Youth	\$34.00	\$0.51	1.5%	1/1/09
Monthly Pass Youth Premium	\$45.00	\$0.67	1.5%	1/1/09
14-Day Pass	\$41.00	\$0.62	1.5%	1/1/09
\$2.25 Individual Token	\$2.25	N/A	N/A	1/1/08
\$2.25 Token 20-Pack	\$45.00	\$0.45	1.0%	1/1/08
\$2.25 Token 40-Pack	\$90.00	N/A	N/A	1/1/08
One-Day Pass	\$5.00	\$0.25	5.0%	1/1/08
Two-Day Pass	\$9.00	\$0.50	5.55%	1/1/08
Three-Day Pass	\$12.00	\$0.75	6.25%	1/1/08
Four-Day Pass	\$15.00	\$1.00	6.67%	1/1/08
Hotel Scratch One-Day Pass	\$5.00	\$0.25	5.0%	1/1/08

(Section 4.2 amended 7/17/08)

Section 4.3: Regional Fare-Pricing Schedule

Section 4.3.1: Regional Passes and Tickets

| Section 4.3.1a: Regional Monthly or 30-Day Passes

1) Except as provided in Section 4.3.1b, 4.3.1c, and 4.3.1d of this Ordinance, the price of a regional monthly or 30-day pass shall be based on service type ~~and zones~~. Local, Urban, and Express bus and Trolley passes shall be \$64.00 (effective 1/1/08) and \$68.00 (effective 1/1/09). Premium Express passes shall be \$90.00. The monthly or 30-day pass shall entitle the person to whom the pass is issued to unlimited rides during the month-period for which the pass is designated on any equal or lower priced regularly scheduled bus and rail service provided by MTS and NCTD, except for COASTER, for which the pass entitles the holder a \$2.00 discount per boarding. Refer to Section 4.10.3 for use on rural services. Half-price passes are available beginning the 15th of each month at The Transit Store, Pass by Mail, and certain outlets.

2) Employer-Based Group Sales Pass Program

| Employers may purchase in bulk, discounted monthly or 30-day passes for their employees subject to the following conditions:

The discount is available for the advance purchase of 25 or more passes a month for up to three months for a "trial program." Price would be set according to what the price would be for an annual program using the same number of passes per month. Only one "trial program" is allowed per employer. The trial program agreement must be for a specific fiscal year. Advance payment for the total number of Trial Program passes is required. The discount is available for an employer purchasing 300 or more passes for an annual (12 months) program. The program can be pro-rated to accommodate the time left in the fiscal year. The annual program agreement and payment must be for a specific fiscal year. Advance payment for the total number of annual monthly passes is required.

The price of the Employer-Based Group Sales Pass Program will be tiered according to the number of annual regular adult passes purchased. The discount offered shall be as follows:

<u>Proposed Employer-Based Group Sales Pass Program</u>		
<u>Tiered-Discount Table</u>		
<u>Employees Using Transit Per Month</u>	<u>Passes Per Year</u>	<u>Discount</u>
25 to 50	300 to 600	10%
51 to 100	601 to 1,200	15%
101 to 250	1,201 to 3,000	20%
251 or more	3,001 or more	25%

(Section 4.3.1a amended 11/8/07)

| Section 4.3.1b: Senior/Disabled/Medicare Monthly or 30-Day Passes

| The price of a regional Senior/Disabled/Medicare Monthly or 30-Day Pass is \$16.00 (effective 1/1/08) and \$17.00 (effective 1/1/09) and shall entitle the Senior, Disabled, or Medicare passenger to unlimited trips during the month or 30-day period for which the pass is designated on any regularly scheduled services provided by those operators identified in Section 4.3.1a of this Ordinance, except rural service (as defined by Section 4.2L). Half price passes are available beginning the 15th of each

month at The Transit Store, Pass by Mail, and certain outlets.

Section 4.3.1c: Youth Monthly or 30-Day Passes

The price of a youth monthly or 30-day pass is \$32.00 (effective 1/1/08) and \$34.00 (effective 1/1/09) and shall entitle the youth passenger to unlimited trips during the month or 30-day period for which the pass is designated on any regularly scheduled services provided by those operators identified in Section 4.3.1a of this Ordinance, except rural service (as defined by Section 4.2L). Half-priced passes are available beginning the 15th of each month at The Transit Store, Pass by Mail, and certain outlets.

(Section 4.3.1c amended 11/13/08)

Section 4.3.1d: Day Passes - General Public

The price of a one-day Day Pass is \$5.00 and shall entitle the person to whom the pass is issued unlimited rides during the day for which the pass is valid on any regularly scheduled services provided by those operators identified in Section 4.3.1a of this Ordinance (except Premium Express services, ADA complementary paratransit services, and rural service).

The price of a two-day Day Pass is \$9.00 and shall entitle the person to whom the pass is issued unlimited rides during the days for which the pass is valid on any regularly scheduled services provided by those operators identified in Section 4.3.1a of this Ordinance (except Premium Express services, ADA complementary paratransit services, and rural service).

The price of a three-day Day Pass is \$12.00 and shall entitle the person to whom the pass is issued unlimited rides during the days for which the pass is valid on any regularly scheduled services provided by those operators identified in Section 4.3.1a of this Ordinance (except Premium Express services, ADA complementary paratransit services, and rural service).

The price of a four-day Day Pass is \$15.00 and shall entitle the person to whom the pass is issued unlimited rides during the days for which the pass is valid on any regularly scheduled services provided by those operators identified in Section 4.3.1a of this Ordinance (except Premium Express services, ADA complementary paratransit services, and rural service).

The price of a 14-day pass is \$41.00 and shall entitle the person to whom the pass is issued unlimited rides during the days for which the pass is valid on any regularly scheduled services provided by those operators identified in Section 4.3.1a of this Ordinance (except Premium Express services, ADA complementary paratransit services, and rural service).

(Section 4.3.1d amended 11/13/08)

Section 4.3.1e: Group Advance Pass Sales

Group event day passes, valid for one to seven days, may be issued to groups (minimum quantity = 100) only on a 21-day or longer advance sales basis. The price of group event advance sales passes shall be as follows:

One-Day Pass	=	\$4.50
Two-Day Pass	=	\$8.00
Three-Day Pass	=	\$11.00
Four-Day Pass	=	\$14.00
Five-Day Pass	=	\$16.00
Six-Day Pass	=	\$18.00
Seven-Day Pass	=	\$20.00

The group event day pass shall entitle the person to whom the pass is issued unlimited rides during the corresponding number of consecutive days for which the pass is valid on any regularly scheduled services provided by those operators identified in Section 4.3.1a of this Ordinance, except rural service (as defined by Section 4.2L).

Group event day passes for special events may be purchased in bulk in advance at discounted rates as follows or as otherwise agreed to by the Board:

100-999 passes	=	Full price per pass
1,000-1,999 passes	=	5 percent discount per pass
2,000-2,999 passes	=	10 percent discount per pass
3,000-3,999 passes	=	15 percent discount per pass
4,000+ passes	=	20 percent discount per pass

Section 4.3.1f: Classroom Day Pass

Classroom Day Passes, valid for one day during nonpeak hours, may be issued to school and youth groups (up to 18 years of age) on an advance sales basis only. Each group shall consist of no more than 17 people (15 youths and two adult chaperons). The price of Classroom Day Passes shall be \$1.50 per person.

Section 4.3.1g: College Semester/Monthly Pass

MTS shall offer a pass for a college or university school term of 63 or more days that is priced at \$1.34 a day (effective 1/1/08) and \$1.43 a day (effective 1/1/09), payable in advance, sold only during the term's registration and/or a monthly pass good for a calendar month, priced at \$51.20 a month (effective 1/1/08) and \$54.40 (effective 1/1/09) a month, payable in advance. College semester and monthly passes are valid for travel on all regularly scheduled bus and rail services provided by MTS and NCTD, except for Premium Express, COASTER (for which the passes entitle the holder to a \$2.00), ADA complementary paratransit services and rural services (as defined by Section 4.2L). The semester and monthly college student passes are to be sold only at schools, colleges, and universities that meet the following requirements: accredited by recognized accrediting institution; provide an on-site sales location; track sales to individual students; limit sales to one pass per student currently enrolled with a minimum of seven credit hours; only issue to students with a current school year photo identification card; provide a benefit to each student purchasing the term and/or monthly pass to encourage public transit use; and promote the pass through school information materials.

Section 4.3.1h: Hotel Scratch One-Day Pass

The Hotel Scratch One-Day Pass is a one-day day pass that is priced at the standard one-day price but with scratch-off instead of punched month, day, and year boxes. The Hotel Scratch One-Day Pass has a unique serial number code, and customers may not return or exchange Hotel Scratch One-Day Passes. Only hotels with a pass sales agreement can sell this type of day pass.

Section 4.3.1i: San Diego County Juror Day Pass

Upon entering an agreement with MTS that meets MTS requirements, courts located in San Diego County may purchase the following special fare media to be distributed to jurors summoned to jury duty in courts in San Diego County:

Juror Regional Day Pass is valid for all regular MTS and NCTD services. The pre per-day price

for this pass shall be 85% of the Regional Day Pass or \$4.25.

The Juror Regional Premium Day Pass valid for travel on MTS and NCTD regular and premium services except two-zone rural bus services. The price of this pass shall be 85% of a Premium Day Pass or \$9.35. Use of this pass for a two-zone rural trip will require payment of a \$5.00 upgrade for adults and \$4.00 for seniors/disabled/Medicare passengers in each direction.

Section 4.3.2: Regional Monthly or 30-Day Pass Upgrades

Passengers holding a valid monthly or 30-day pass as described in Section 4.3.1a must pay a cash upgrade to ride rural services. Holders of Regional Monthly or 30-Day Passes and Premium Regional Monthly Passes shall receive a \$1 discount per zone. Senior/Disabled/Medicare Pass holders shall receive a \$0.50 discount per zone. Refer to Section 4.6.5a for upgrade requirements on DART services.

Section 4.3.3: Regional Fares for Children

Children, as defined in Section 4.2.E, shall ride for free when accompanied by a fare-paying passenger. This shall be applicable to all fixed-route bus service, Trolley service, and rural service. **(Section 4.3 amended 12/8/05)**

Section 4.4: Trolley Fare-Pricing Schedule

Section 4.4.1a: One-Way Cash Fares

_____ The price of a one-way cash fare ticket to ride the Trolley shall be as follows:

_____ Centre City _____	= _____	\$1.25
_____ 1 station _____	= _____	\$1.50
_____ 2 stations _____	= _____	\$1.75
_____ 3 stations _____	= _____	\$2.00
_____ 4-10 stations _____	= _____	\$2.25
_____ 11-19 stations _____	= _____	\$2.50
_____ 20+ stations _____	= _____	\$3.00

_____ Effective September 1, 2008, the cash fare for a single, one-way trip involving any number of stations shall be \$2.50 for an adult and free transfers shall be permitted between Trolley lines. The cash fare for a Trolley ride originating and terminating in Centre City San Diego shall be \$1.25. The ticket shall be valid for two hours and must be valid during the entire Trolley trip.

A one-way ticket shall entitle the person to a one-way trip in a direction away from the station of issue. The one-way ticket is valid for two hours and must be valid during the entire Trolley trip. **(Section 4.4.1a amended 11/13/08)**

Section 4.4.1b: Round-Trip Cash Fares

_____ The price of a Trolley round-trip ticket shall be as follows:

_____ Round-trip 2 @ \$1.00 _____	= _____	\$2.00 (Senior/Disabled/Medicare fare)
_____ Round-trip 2 @ \$1.25 _____	= _____	\$2.50
_____ Round-trip 2 @ \$1.50 _____	= _____	\$3.00
_____ Round-trip 2 @ \$1.75 _____	= _____	\$3.50
_____ Round-trip 2 @ \$2.00 _____	= _____	\$4.00

Round-trip 2 @ \$2.25	=	\$4.50
Round-trip 2 @ \$2.50	=	\$5.00
Round-trip 2 @ \$3.00	=	\$6.00

~~Effective on September 1, 2008, the~~In lieu of an adult round-trip cash fare, is discontinued and replaced by the Day Pass is offered and free transfers between Trolley lines shall be permitted.

Section 4.4.2: Senior/Disabled/Medicare Cash Fares

The Senior/Disabled/Medicare cash fare shall be ~~\$1.00~~\$1.25 per one-way trip on the Trolley. ~~Effective on September 1, 2008, the fare shall be \$1.25.~~

The Senior/Disabled/Medicare cash fare shall be \$2.50 per roundtrip on the Trolley-effective September 1, 2008.

For trips originating and terminating in Centre City San Diego, the one-way Senior/Disabled/Medicare cash fare shall be \$.60-effective September 1, 2008.

(Section 4.4.2 amended 11/13/08)

Section 4.4.3: Tokens

Universal tokens shall be available for \$2.25 each, in multiples of 20 (\$45.00) or 40 (\$90.00), and shall entitle the person holding the universal token to up to a \$2.25 cash fare value trip on any MTS bus or Trolley service except ADA paratransit services. Some services may require a cash upgrade in conjunction with the universal token.

(Section 4.4 amended 7/17/08)

Section 4.4.4: Compass Card

Use of a Compass Card with a "stored value" is defined as use of any Compass Card for a debit transaction for transit service when transit cash has been placed on the card.

Compass Card users who have a transit product stored on their card must validate their card on each transit service that they ride each and every time they use the service as a condition precedent to using MTS services. Compass Card users must validate their cards via onboard validators on Buses, or station platform validators for Trolleys, and in accordance with Ordinance No. 13.

Patrons who fail to validate their Compass Card in the manner described above and as set forth in Ordinance No. 13 will be deemed to not be in possession of a valid fare and subject to applicable fines and penalties.

Users of the Compass Card must produce the Compass Card for inspection by authorized MTS, employees, security, contractors, or law enforcement staff upon demand.

The Compass Card is intended as a fare payment device on MTS services and NCTD services, and any unauthorized use of the card is strictly forbidden. Persons found to be using the Compass Card in a fraudulent manner may have their Compass Card confiscated and their account suspended.

Refunds of transit products on Compass Cards will not be provided.

Refunds of cash value remaining on voluntarily surrendered cards and confiscated cards will be

considered on an individual basis for holders of registered Compass Cards only and may be obtained by request to SANDAG. Registered Compass Card holders seeking a refund must complete an application form (available from The Transit Store or NCTD Customer Service) and follow the submission instructions on the application. SANDAG reserves the right to refuse any request for refund or to make a partial refund. SANDAG also reserves the right to deduct a processing fee of not more than 10 percent on any refund.

Refunds will be issued as credit on the same card as the original purchase if made by credit card. Original payments made by cash, check, or debit card will be refunded by check.
(Section 4.4.4 added 11/13/08)

Section 4.5: MTS Bus Fare-Pricing Schedule

Section 4.5.1: Cash Fares

Section 4.5.1a: Local Services

The price of a trip on MTS local service, as described in Section 4.2H of this Ordinance, shall be \$2.00 (effective 1/1/08) and \$2.25 (effective 1/1/09).

Section 4.5.1b: Urban Services

The price of a trip on MTS urban service, as described in Section 4.2I of this Ordinance, shall be \$2.25.

Section 4.5.1c: Express and Premium Express Services

The price of a trip on express and premium express service, as described in Sections 4.2J and 4.2K of this Ordinance, shall be:

Express	= \$2.50
Premium Express	= \$5.00

Section 4.5.1d: Senior/Disabled/Medicare Cash Fares

The Senior/Disabled/Medicare Bus cash fare shall be \$1.00 except as otherwise provided in Section 4.9 concerning rural service.

Effective September 1, 2008, the fare for urban service shall be \$1.10. Effective January 1, 2009, the fare for local service shall be \$1.10.

Effective September 1, 2008, the Senior/Disabled/Medicare Bus cash fare shall be \$1.25 on Express service and \$2.50 on Premium Express service.

Section 4.5.2: Special Fares

Section 4.5.2a: Shuttle Fare

The price of a trip on shuttle services shall be \$1.00. Effective on September 1, 2008, the Senior/Disabled/Medicare shuttle service fare shall be \$0.50.

Section 4.5.2b: Stadium/Ballpark Bus Fares

The price of a trip on special buses with the primary purpose of traveling to and from events at Qualcomm Stadium or PETCO Park shall be \$5.00 one way and \$8.00 round-trip.
(Section 4.5 amended 7/17/08)

Section 4.6.5: Demand-Responsive Fares

MTS does not offer demand-responsive service at this time.

Section 4.6.5a MTS DART Services

~~The price of a one-way trip on MTS DART services (Rancho Bernardo) shall be as follows:~~

MTS DART Regular/Adult	\$3.00
MTS DART Senior/Disabled/Medicare	\$1.50
All other prepaid fare media, including senior/disabled/Medicare, upgrade	\$0.50

(Section 4.6.5 amended 11/13/08)

Section 4.6.5b: ADA Paratransit Services Cash Fares

The ADA complementary paratransit services, provided in accordance with the ADA, are only available to persons with qualifying disabilities that prevent them from using fixed-route transit services. These services shall have a cash fare of no more than double the predominant adult cash fare in the area of service. Section 4.2.O establishes the ADA paratransit zones. The urban zone (Zone 1) shall use the Urban Service fare defined in Section 4.2.I to calculate the MTS Access cash fare. The three suburban zones (Zones 2, 3, and 4) shall use the Local Service fare defined in Section 4.2.H to calculate the ADA Suburban paratransit cash fare. Passes are not accepted on ADA paratransit services. Paying ADA paratransit passengers will be issued (upon request) a Premium Regional Day Pass for use on connecting fixed-route and Trolley services. Passengers transferring from ADA paratransit service in Zones 2, 3, or 4 to ADA paratransit service in Zone 1 may be required to pay an upgrade on the Zone 1 vehicle if the price of the MTS Urban Service Fare is greater than the price of the MTS Local Service Fare. Full-price (no discount) tickets for ADA paratransit services may be sold to passengers in advance. No passes, tokens, or discounts and no other tickets are accepted on ADA paratransit services. Personal Care Attendants (PCA) required by disabled passengers are not required to pay a fare.

(Section 4.6 amended 7/17/08)

Section 4.7: Rural Service

Rural service, as defined in Section 4.2L, shall have applied to it a 2-zone based fare structure. Zone boundaries shall generally be located on a north-south axis and have zone boundaries at Ramona (Ramona Station), Alpine (Tavern Road and Alpine Boulevard), and the Tecate border crossing (Tecate Road and Thing Road). Passenger trips remaining within 1 zone shall have applied to them the 1-zone based fare.

Section 4.7: 1- and 2-Zone One-Way Cash Fares

The 1-zone cash fare shall be \$5 for each one-way trip. The 2-zone cash fare shall be \$10 for each one-way trip.

Section 4.7.2: One-Way Senior/Disabled/Medicare Cash Fare

Senior/~~d~~Disabled/Medicare cash fares shall be 50 percent of the regular cash fare: 1-zone senior/~~d~~Disabled/Medicare cash fare shall be \$2.50 for each one-way trip. The 2-zone cash fare shall

| be \$5 for each one-way trip.

Section 4.7.3: Prepaid Monthly or Daily Pass Upgrade Required

| Passengers exhibiting a valid MTS Monthly or 30-Day Adult or Youth Pass, College Semester Pass, or Daily Pass shall be provided a \$1 discount per zone for rural service: the 1-zone cash upgrade shall be \$4 for each one-way trip. The 2-zone cash upgrade shall be \$8 for each one-way trip. Senior/Disabled/Medicare passengers exhibiting a valid Senior/Disabled/Medicare Monthly Pass shall be given a \$.50 cent discount per zone: the 1-zone cash upgrade shall be \$2.00 for each one-way trip. The 2-zone cash upgrade shall be \$4 for each one-way trip.

Section 4.7.4: Other Fare Media

- Tokens shall be accepted at face value of \$2.25; change will not be provided in instances where token value exceeds required fare.

- A San Diego County Juror Premium pass is valid for travel for 1-zone rural bus service. Use of this pass for a 2-zone rural trip requires payment of a \$5.00 upgrade (\$4.00 for senior/disabled/Medicare) in each direction.

- Transfers from ADA complementary service shall not require an upgrade.
(Section 4 renumbered and amended 11/8/07 11/13/08)

Section 4.8: Sorrento Valley Coaster Connection

| ~~Effective on September 1, 2008, the~~ The one-way cash fare on Sorrento Valley Coaster Connection (SVCC) services shall be \$1.00 for adults and \$0.50 for Senior/Disabled/Medicare.

| The price for a ~~Monthly or 30-Day~~ Pass for the SVCC shall be \$40.00 for adults, \$20.00 for Youth, and \$10.00 for Senior/Disabled/Medicare.

| All Regional and Premium Day Passes and Regional and Premium Monthly or 30-Day Passes will be accepted on SVCC services.

| **(Section 4.8 renamed and amended 7/17/08 11/13/08)**

Section 4.9: Special Fares

MTS shall be allowed to adjust fares for special events with the approval of the Chief Executive Officer.

(Section 4.9 amended 7/17/08)

Section 4.10: Other Metropolitan Transit System Operators and Special Cash Fares

Section 4.10.1: Cash Fares

Any special fares of any operator in the region not listed within this Ordinance shall be included in the Uniform Fare Structure Agreement.

(Section 4. 10 amended 7/17/08)

Section 4.11: Public Notice

Before the expiration of fifteen (15) days after its passage, a summary of this Ordinance shall be published once with the names and members voting for and against the same in a newspaper of

general circulation published in the County of San Diego.
(Section 4.11 amended 7/17/08)

Section 4.12: Effective Date of Ordinance

This Ordinance shall become effective 30 days from and after the date of its final passage.
(Section 4.12 amended 7/17/08)

OCT30-08.30.AttA.ORD4.MTHOMSEN.doc

Amended: 12/8/05
Amended: 1/15/04
Amended: 11/13/03
Amended: 05/22/03
Amended: 04/10/03
Amended: 10/17/02
Amended: 06/14/01
Amended: 05/10/01
Amended: 08/10/00
Amended: 07/13/00
Amended: 05/13/99
Amended: 02/26/98
Repealed & Readopted: 07/17/97
(operative - 11/23/97)
Amended: 04/28/94
Amended: 01/13/94
Amended: 07/08/93
Amended: 02/11/93
Repealed & Readopted: 05/28/92
Amended: 01/09/92
Repealed & Readopted: 03/14/91
Amended: 09/27/90
Amended: 05/10/90
Repealed & Readopted: 02/23/89
Amended: 11/10/88
Repealed & Readopted: 02/25/88
Amended: 12/10/87
Amended: 10/09/86
Amended: 04/24/86
Amended: 03/01/86
Repealed & Readopted: 12/05/85
Amended: 07/11/85
Amended: 05/23/85
Amended: 10/04/84
Amended: 07/19/84
Repealed & Readopted: 02/27/84
Amended: 07/25/83
Amended: 07/11/83
Repealed & Readopted: 05/24/82
Amended: 10/05/81
Amended: 07/08/81
Amended: 06/30/81
Adopted: 06/08/81
Amended: 11/8/07

Amended: 7/17/08
Amended: 11/13/08

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

CODIFIED ORDINANCE NO. 13
(as Adopted 8/9/01 and amended 06/28/07)

An Ordinance Regarding Prohibited Conduct Onboard Transit Vehicles
and Prohibited Actions on or About a Transit Facility, Trolley Station, or Bus Stop

The Board of Directors of the San Diego Metropolitan Transit System (MTS) do ordain as follows:
Section 13.1: General

The use of the San Diego Metropolitan Transit System (MTS) facilities shall be conditioned upon the observance of this ordinance or any rules and regulations hereafter promulgated by MTS or pursuant to its authority; all rights, privileges, licenses and permits, express or implied, for the use of MTS facilities are revocable; and each such right, privilege, license or permit shall at the option of MTS or its duly authorized representative be revoked and canceled by and upon the breach of this ordinance or of the violation while in or upon MTS facilities or any applicable laws or ordinances.

Nothing herein contained or omitted from this ordinance shall be construed to relieve any person whatsoever from exercising all reasonable care to avoid or prevent injury or damage to persons or property.

Any requirement or provision of these rules relating to any prohibited act shall respectively extend to and include the causing, procuring, aiding or abetting, directly or indirectly, of such act; or the permitting or the allowing of any minor in the custody of any person, doing any act prohibited by a provision hereof.

Any act otherwise prohibited by these rules shall be lawful if performed under, by virtue of, and strictly in compliance with the provisions of an agreement, permit, or license issued or approved by MTS and/or San Diego Trolley, Inc. (SDTI), and/or San Diego Transit Corporation (SDTC), and to the extent authorized thereby.

These rules are in addition to and supplement all applicable laws or ordinances.

Section 13.2: Definitions

The following terms, as used in this ordinance shall, unless otherwise expressly stated or unless the context clearly requires a different interpretation, have the following meaning.

A. Bicycle - A "bicycle" is a device upon which any person may ride, propelled exclusively by human power through a belt, chain, or gears, and having two wheels.

B. Bus - A "bus" is any motor vehicle, other than a motortruck or truck tractor, designed for carrying more than 10 persons including the driver, and used or maintained for the transportation of passengers, except that any motor vehicle, other than a motortruck or truck tractor, designed for carrying not more than 12 persons, including the driver, which is maintained and used in the nonprofit transportation of adults to and from a work location as part of a carpool program or when transporting only members of the household of the owner thereof, shall not be considered to be a bus for the purposes of this section.

C. Bus Stop - A "bus stop" is a designated area marked by a sign depicting a specific route number or numbers for the loading and unloading of passengers from or onto a bus, which may or may not include a bench or shelter.

D. Facility or Transit Facility – A "facility" or "transit facility" includes, but is not limited to, transit centers, rail stations, bus shelters, and bus stops on public or private property.

E. Pedestrian – A "pedestrian" is any person who is afoot or who is using a means of conveyance propelled by human power other than a bicycle.

F. Tailgate – Any person standing, sitting, or remaining in the area of a vehicle, chair, table, ice-chest, barbeque, or similar device for the purpose of consuming any food or beverage, or for the purpose of socializing before during or at the conclusion of an event.

G. Trolley – A "trolley" is a vehicle which is propelled by electric power obtained from overhead trolley wires and is operated upon rails.

H. Trolley Station – A "trolley station" is a designated area marked by a sign depicting a specific line; i.e., Orange, Blue, Red, Green, etc., for the loading and unloading of passengers from or onto a trolley, which may or may not include a bench or shelter.

I. Transit Vehicle – A "transit vehicle" shall mean buses and trolleys or any other form of public conveyance utilized, owned, or controlled by MTS, SDTI, or SDTC.

J. Validator – A "Validator" is a machine used to deduct the proper fare from a Compass Card prior to a passenger boarding a bus or trolley and prior to and after a passenger boards and alights a Centre City San Diego Trolley if the passenger wishes to receive the Centre City San Diego fare (as defined in MTS Ordinance No. 4).

Section 13.3: Fares

Passengers shall be permitted on a transit vehicle or in a transit station owned, controlled, or used by MTS or its subsidiaries or contractors only upon payment of such fares and under such circumstances as may from time to time be ordained by MTS. It is unlawful for any person to refuse to pay, or to evade or attempt to evade the payment of such fares.

If passengers are utilizing a Compass Card (as defined in MTS Ordinance No. 4), they must present their card to a fare Validator when entering a bus, prior to waiting in any fare paid zone, prior to boarding a trolley, and prior to boarding and after exiting a trolley originating and terminating in Centre City San Diego (as defined in MTS Ordinance No. 4) in order to receive the Centre City San Diego cash fare. This procedure is known as "Tap or Tapping." Tapping is a condition precedent to utilizing MTS bus and trolley service and the Compass Card. It shall be unlawful for passengers to refuse to Tap, or to evade Tapping, or to attempt to evade Tapping when utilizing a Compass Card. MTS reserves the right to confiscate the Compass Card for noncompliance with this provision or the provisions of MTS Ordinance No. 4.

(Section 13.3 amended 6/28/07 11/13/08)

Section 13.4: Prohibited Conduct Onboard Transit Vehicles

It shall be unlawful for passengers or occupants while aboard a bus or trolley while the vehicle is transporting passengers in regular route service, contract, special, or community-type service within the MTS jurisdictional area to:

A. Consume any food or beverage, except that passengers may consume beverages while onboard a trolley if the beverages are contained in a spill-proof or screw-top container or bottle. Examples of such spill-proof or screw-top containers or bottles include, but are not limited to, water

bottles and soda bottles with screw tops, personal beverage containers with snap-on or screw-on lids, and coffee cups or mugs with snap-on or screw-on lids.

- B. Smoke or carry a lighted or smoldering pipe, cigar, cigarette, or tobacco in any form.
- C. Operate any radio, phonograph, tape player, or other such instrument that is audible to any other person on a transit vehicle.
- D. Expectorate.
- E. Discard litter.
- F. Extend his/her head, hand, arm, foot, leg, or other portion of the body through any window.
- G. Interfere in any manner whatsoever with the operator or operation of any bus or trolley.
- H. Possess an open alcoholic beverage container, irrespective of whether the container is spill-proof or screw-top.
- I. Ride any bike, skateboard, or scooter.
- J. No person shall put his foot on any seat provided for any passengers on a bus or trolley, or place any article on such seat which would leave grease, oil, paint, dirt, or any other substance on such seat.
- K. No person shall activate without justification, mutilate, deface or misuse in any manner, any safety device or intercom located onboard a bus or trolley.
- L. No person shall ride upon the outside or roof of any bus or trolley.

(Section 13.4 amended 01/18/07)

Section 13.5: Prohibited Actions on or About a Transit Facility

- A. No person (except MTS/SDTI/SDTC employees, agents, or authorized visitors) shall enter upon the roadbed, tracks, structures, right-of-way, or other parts of a transit facility, which are not open to passengers or to the public.
- B. No person shall drink any alcoholic beverage or possess an open alcoholic beverage container on or in a transit facility except on premises licensed therefor.
- C. No person shall sit, lie, or stand with any portion of his/her body extending within 8 feet 6 inches of the centerline of the outside rail on straight track or within 9 feet 6 inches of the centerline of the outside rail on curved track except while entering or alighting from a trolley stopped at that station.
- D. No person shall injure, deface, destroy, loosen, remove, or tamper with the transit facility.
- E. No person shall injure, mutilate, deface, alter, change, displace, remove, or destroy any sign, notice, signal, or advertisement on the transit facility.
- F. No person shall interfere with any lamp, electric light, electric fixture, or density on the transit facility.

G. No person shall write, paint, or draw any inscription or figure on or deface any transit facility.

H. No person shall disobey or disregard the notices, prohibitions, instructions, or directions on any sign posted on the transit facility.

I. No person shall interfere with, encumber, obstruct, or render dangerous any transit facility.

J. No person shall throw or project a stone or other missile at any trolley, bus or at any person or thing on or in the transit facility.

K. No person shall throw or project a stone or other missile from any transit facility or transit vehicle.

L. No person shall fail or refuse to comply with any lawful order or direction of any MTS inspector, security officer, whether an employee or designated agent of MTS, or any peace officer.

M. No person shall do, aid, abet, or assist in doing any act which may be dangerous, harmful, or injurious to any person or property within the transit facility, said act being not specifically prohibited herein.

N. No person shall put his foot on any seat provided for any passengers of the transit facility or place any article on such seat which would leave grease, oil, paint, dirt, or any other substance on such seat.

O. No person shall urinate or defecate in or upon unauthorized locations on the transit facility.

P. No person shall post, distribute, or display commercial signs, advertisements, circulars, handbills, or written material of a commercial nature on or within the transit facility, nor shall any person engage in any verbal solicitations of a commercial nature on or within said transit facility.

Q. No person shall climb upon or jump the trolley couplers.

R. No person shall discard litter in any transit facility or transit vehicle.

S. No person shall loiter in the immediate vicinity of any posted property.

T. No person shall Tailgate.

(Section 13.5 amended 06/28/07)

Section 13.6: Animals

No person shall bring, carry unto, or convey upon the transit facility, a dog, or other animal, unless it is completely enclosed in a carrying case, which can be accommodated in the lap of a passenger with no danger or annoyance to other passengers. This rule shall not apply to a "service" or "assistance" animal. A "service" or "assistance" animal is trained to assist persons with disabilities. Such animals shall be properly harnessed when possible. Service or assistance animals must be under the control of the person at all times. MTS reserves the right to inquire about the status of such animals.

(Section 13.6 amended 6/28/07)

Section 13.7: Meetings

No person shall hold any meeting, perform any ceremony, make any speech, address or oration, exhibit, or distribute any sign, placard, notice, declaration, or appeal of any kind or description within any transit facility or upon any transit vehicle or platform without written permit from an MTS official.

Section 13.8: Selling, Peddling, Leasing, Etc.

No person shall exhibit, sell, or offer for sale, hire, lease, or let out in or about the transit facility or a transit vehicle any object or merchandise, whether corporeal or incorporeal, except concessions under contract to MTS.

Section 13.9: Bicycles

Bicycles are permitted on transit vehicles under the following conditions:

- A. Bicyclists must be at least 16 years of age and have a valid proof of payment of fare.
- B. Only one bicycle is allowed onboard a trolley during the hours of 6:00 a.m. to 9:00 a.m. and 3:00 p.m. to 6:00 p.m. weekdays. At any other time, no more than two bicycles per trolley will be allowed. No bicycles will be permitted in the aiseways at any time.
- C. Bicycles will be permitted to board trolleys at the rear doors only and must be placed against the rear driver's cab.
- D. Bicyclists must remain with their bicycles at all times.
- E. When part of a group charter, more than two bicycles per car may be permitted at the sole discretion of MTS.

(Section 13.9 amended 01/18/07)

Section 13.10: No Smoking at any Transit Facility or Bus Stop

No person shall smoke any materials, whether tobacco or any other product using any device, cigarette, cigar, pipe, or any other apparatus, or utilize any smoking device, cigarette, cigar, pipe, or other apparatus at the following locations owned, operated, or controlled by MTS, SDTI and/or SDTC:

- A. Within 25 feet from any bus stop;
- B. Within 25 feet of any trolley station; and
- C. Within 25 feet of any transit facility.

OCT30-08.30.AttB.ORD 13 CHGS.MTHOMSEN.doc

Amended: 11/13/08
Amended: 06/28/07
Amended: 01/18/07
Amended: 06/09/05
Amended: 05/26/05
Amended: 10/28/04
Adopted: 8/9/01

Fare Ordinance Amendment

Board of Directors

October 30, 2008



Ordinances Changed

- No. 4 MTS Pricing Schedule
 - Compass Card inclusion
 - New 14-Day & 30-Day rolling passes
 - Eliminating outdated language
- No. 13 Prohibited Conduct
 - Enforces "tapping on" with Compass Card

No fares are changed



Compass Card Products

- Monthly Passes except College Monthly
 - Includes Adult, Premium, SDM, Youth
 - 30-day rolling replaces monthly term
- Multi-day Passes
 - 14-day rolling pass replaces Half Month
- Day Passes
 - Stored value option



Compass Card Implementation

SANDAG plans to:

- Offer all Compass Card products by January 1
- Phase out paper Monthly Passes:

Premium Express	January 1
Coaster	March 1
Breeze	May 1
Regional	July 1



Next Steps

- Second Reading: Nov 13, 2008
- Effective date: Jan 1, 2009
- Potential remaining Fare Study elements:
 - Revenue Sharing
 - Coaster / Premium Day Pass convergence
 - Phased increase of senior qualifying age to 65



4

Fare Ordinance Amendment

Board of Directors

October 30, 2008





AGENDA ITEM NO.

30

REQUEST TO SPEAK FORM

ORDER REQUEST RECEIVED

1

PLEASE SUBMIT THIS COMPLETED FORM (AND YOUR WRITTEN STATEMENT) TO THE CLERK OF THE BOARD PRIOR TO DISCUSSION OF YOUR ITEM

1. INSTRUCTIONS

This Request to Speak form must be filled out and submitted in advance of the discussion of your item to the Clerk of the Board (please attach any written statement to this form). Communications on hearings and agenda items are generally limited to three minutes per person unless the Board authorizes additional time; however, the Chairperson may limit comment to one or two minutes each if there are multiple requests to speak on a particular item. General public comments on items not on the agenda are limited to three minutes. Please be brief and to the point. No yielding of time is allowed. Subjects of previous hearings or agenda items may not again be addressed under General Public Comments.

(PLEASE PRINT)

Date	2008-10-30		
Name	Clive Richard		
Address	on file		
Telephone			
Organization Represented			
Subject of Your Remarks			
Regarding Agenda Item No.			
Your Comments Present a Position of:	<input type="checkbox"/>	SUPPORT	<input type="checkbox"/> OPPOSITION

2. TESTIMONY AT NOTICED PUBLIC HEARINGS

At Public Hearings of the Board, persons wishing to speak shall be permitted to address the Board on any issue relevant to the subject of the Hearing.

3. DISCUSSION OF AGENDA ITEMS

The Chairman may permit any member of the public to address the Board on any issue relevant to a particular agenda item.

4. GENERAL PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

Public comment on matters not on the agenda will be limited to five speakers with three minutes each, under the Public Comment Agenda Item. Additional speakers will be heard at the end of the Board's Agenda.

REMEMBER: Subjects of previous hearings or agenda items may not again be addressed under General Public Comments.



1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
619.231.1466 FAX 619.234.3407

Agenda

Item No. **45**

JOINT MEETING OF THE BOARD OF DIRECTORS
for the
Metropolitan Transit System,
San Diego Transit Corporation, and
San Diego Trolley, Inc.

FIN 310 (PC 50601)

October 30, 2008

SUBJECT:

MTS: YEAR-TO-DATE OPERATIONS BUDGET STATUS REPORT THROUGH
AUGUST 2008

RECOMMENDATION:

That the Board of Directors receive the MTS Year-to-Date Operations Budget Status Report through August 2008.

Budget Impact

None at this time.

DISCUSSION:

This report summarizes MTS's year-to-date operating results through August 2008 compared to the Board-approved budget. Attachment A-1 combines the operations, administration, and other activities results through August 2008. Attachment A-2 details the year-to-date August 2008 combined operations results, and Attachments A-3 to A-8 present budget comparisons for each MTS operation. Attachment A-9 details budget comparisons for MTS Administration, and A-10 provides year-to-date August 2008 results for MTS other activities (Taxicab/San Diego and Arizona Eastern Railway Company).

MTS NET-OPERATING SUBSIDY RESULTS

As indicated within Attachment A-1, the year-to-date August 2008 MTS net-operating subsidy favorable variance totaled \$1,251,000 (5.7%). Operations produced a



Metropolitan Transit System (MTS) is comprised of the Metropolitan Transit Development Board (MTDB) a California public agency, San Diego Transit Corp., and San Diego Trolley, Inc., in cooperation with Chula Vista Transit and National City Transit. MTS is Taxicab Administrator for eight cities. MTDB is owner of the San Diego and Arizona Eastern Railway Company. MTDB Member Agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.

\$1,310,000 (5.9%) favorable variance, and the administrative/other activities areas were unfavorable by \$60,000.

MTS COMBINED RESULTS

Operating Revenues

Year-to-date combined operating revenues through August 2008 were \$16,368,000 compared to the year-to-date budget of \$15,104,000, representing a \$1,264,000 favorable variance. This is due to higher passenger revenues (\$1,532,000), primarily within rail operations (\$565,000) and transit services (\$506,000). Consolidated other operating revenues were unfavorable by \$267,000.

Expenses

Year-to-date combined expenses through August 2008 were \$37,135,000 compared to the year-to-date budget of \$37,122,000 resulting in a \$13,000 (0.0%) unfavorable variance.

Personnel Costs. Year-to-date personnel-related costs totaled \$16,863,000 compared to a year-to-date budgetary figure of \$17,191,000, producing a favorable variance of \$327,000 (1.9%). This is primarily due to favorable variances within operator wages and other fringe benefits within transit services.

Outside Services and Purchased Transportation. Total outside services year-to-date expenses totaled \$12,117,000 compared to a budget of \$12,597,000 resulting in a year-to-date favorable variance of \$479,000 (3.8%). This is primarily due to lower-than-expected operating expenses within repairs and maintenance services for rail operations and purchased transportation for fixed-route services.

Materials and Supplies. Total year-to-date materials and supplies expenses totaled \$1,283,000 compared to a budgetary figure of \$1,270,000 resulting in an unfavorable expense variance of \$12,000 (1.0%).

Energy. Total year-to-date energy costs were \$6,121,000 compared to the budget of \$5,250,000 resulting in a year-to-date unfavorable variance of \$871,000 (16.6%). This favorable variance is primarily due to unfavorable variances in compressed natural gas (CNG) and diesel (\$908,000). Year-to-date CNG prices averaged \$1.804 per therm compared to the budgetary rate of \$1.470 per therm. Year-to-date diesel prices averaged \$4.090 per gallon compared to a budgetary rate of \$3.290 per gallon.

Risk Management. Total year-to-date expenses for risk management were \$573,000 compared to the year-to-date budget \$599,000 resulting in a favorable variance totaling \$26,000 (4.4%).

General and Administrative. Year-to-date general and administrative costs, including vehicle and facilities leases, were \$37,000 (17.2%) favorable to budget totaling \$178,000 through August 2008 compared to a year-to-date budget of \$215,000.

YEAR-TO-DATE SUMMARY

The August 2008 year-to-date net-operating subsidy totaled a favorable variance of \$1,251,000 (4.5%) and was produced by several factors. These factors include favorable variances in passenger revenue, personnel costs, and outside services partially offset by energy expenses.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Larry Marinesi, 619.557.4542, Larry.Marinesi@sdmts.com

OCT30-08.45.OPS BUDGET.MTHOMPSON.doc

Attachment: A. Comparison to Budget

MTS
CONSOLIDATED
COMPARISON TO BUDGET - FISCAL YEAR 2009
AUGUST 31, 2008
(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	%
Passenger Revenue	\$ 15,263	\$ 13,731	\$ 1,532	11.2%
Other Revenue	1,106	1,373	(267)	-19.5%
Total Operating Revenue	\$ 16,368	\$ 15,104	\$ 1,264	8.4%
Personnel costs	\$ 16,863	\$ 17,191	\$ 327	1.9%
Outside services	12,117	12,597	479	3.8%
Transit operations funding	-	-	-	-
Materials and supplies	1,283	1,270	(12)	-1.0%
Energy	6,121	5,250	(871)	-16.6%
Risk management	573	599	26	4.4%
General & administrative	121	124	4	2.8%
Vehicle/facility leases	57	91	33	36.8%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	0	(0)	(0)	701.4%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 37,135	\$ 37,122	\$ (13)	0.0%
Operating income (loss)	\$ (20,767)	\$ (22,018)	\$ 1,251	5.7%
Total public support and nonoperating revenues	(391)	(187)	(204)	108.9%
Income (loss) before capital contributions	\$ (21,158)	\$ (22,205)	\$ 1,047	-4.7%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATIONS
CONSOLIDATED OPERATIONS
COMPARISON TO BUDGET - FISCAL YEAR 2009
AUGUST 31, 2008
(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	%
Passenger Revenue	\$ 15,263	\$ 13,731	\$ 1,532	11.2%
Other Revenue	68	104	(35)	-34.0%
Total Operating Revenue	\$ 15,331	\$ 13,835	\$ 1,496	10.8%
Personnel costs	\$ 15,151	\$ 15,322	\$ 171	1.1%
Outside services	11,608	12,067	459	3.8%
Transit operations funding	-	-	-	-
Materials and supplies	1,282	1,269	(13)	-1.0%
Energy	6,074	5,200	(874)	-16.8%
Risk management	487	529	41	7.8%
General & administrative	61	61	(0)	-0.8%
Vehicle/facility leases	57	87	30	34.1%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	1,545	1,545	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 36,266	\$ 36,080	\$ (186)	-0.5%
Operating income (loss)	\$ (20,935)	\$ (22,245)	\$ 1,310	5.9%
Total public support and nonoperating revenues	469	673	(204)	-30.3%
Income (loss) before capital contributions	\$ (20,466)	\$ (21,572)	\$ 1,106	-5.1%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATIONS
TRANSIT SERVICES (SAN DIEGO TRANSIT CORPORATION)
COMPARISON TO BUDGET - FISCAL YEAR 2009
AUGUST 31, 2008
(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	%
Passenger Revenue	\$ 4,455	\$ 3,950	\$ 506	12.8%
Other Revenue	10	2	8	490.9%
Total Operating Revenue	\$ 4,465	\$ 3,951	\$ 514	13.0%
Personnel costs	\$ 9,518	\$ 9,731	\$ 213	2.2%
Outside services	300	343	43	12.5%
Transit operations funding	-	-	-	-
Materials and supplies	794	767	(28)	-3.6%
Energy	2,104	1,571	(533)	-34.0%
Risk management	209	240	31	12.9%
General & administrative	21	29	7	25.6%
Vehicle/facility leases	10	31	21	66.8%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	780	780	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 13,737	\$ 13,492	\$ (246)	-1.8%
Operating income (loss)	\$ (9,272)	\$ (9,540)	\$ 269	2.8%
Total public support and nonoperating revenues	(775)	(572)	(204)	35.7%
Income (loss) before capital contributions	\$ (10,047)	\$ (10,112)	\$ 65	-0.6%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATIONS
RAIL OPERATIONS (SAN DIEGO TROLLEY, INCORPORATED)
COMPARISON TO BUDGET - FISCAL YEAR 2009
AUGUST 31, 2008
(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ 6,140	\$ 5,576	\$ 565	10.1%
Other Revenue	48	102	(54)	-53.1%
Total Operating Revenue	\$ 6,188	\$ 5,678	\$ 510	9.0%
Personnel costs	\$ 5,325	\$ 5,254	\$ (71)	-1.3%
Outside services	1,483	1,611	128	8.0%
Transit operations funding	-	-	-	-
Materials and supplies	469	499	30	6.1%
Energy	1,539	1,551	12	0.7%
Risk management	278	288	10	3.5%
General & administrative	39	29	(10)	-33.1%
Vehicle/facility leases	15	34	19	56.3%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	605	605	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 9,753	\$ 9,872	\$ 119	1.2%
Operating income (loss)	\$ (3,564)	\$ (4,194)	\$ 630	15.0%
Total public support and nonoperating revenues	-	-	-	-
Income (loss) before capital contributions	\$ (3,564)	\$ (4,194)	\$ 630	-15.0%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATIONS
MULTIMODAL OPERATIONS (FIXED ROUTE)
COMPARISON TO BUDGET - FISCAL YEAR 2009
AUGUST 31, 2008
(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	%
Passenger Revenue	\$ 3,728	\$ 3,422	\$ 307	9.0%
Other Revenue	11	-	11	-
Total Operating Revenue	\$ 3,739	\$ 3,422	\$ 317	9.3%
Personnel costs	\$ 62	\$ 59	\$ (2)	-3.9%
Outside services	6,888	7,157	269	3.8%
Transit operations funding	-	-	-	-
Materials and supplies	19	-	(19)	-
Energy	1,815	1,438	(377)	-26.2%
Risk management	-	-	-	-
General & administrative	1	1	0	39.2%
Vehicle/facility leases	32	22	(10)	-45.9%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	130	130	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 8,947	\$ 8,808	\$ (139)	-1.6%
Operating income (loss)	\$ (5,208)	\$ (5,386)	\$ 178	3.3%
Total public support and nonoperating revenues	-	-	-	-
Income (loss) before capital contributions	\$ (5,208)	\$ (5,386)	\$ 178	-3.3%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATIONS
MULTIMODAL OPERATIONS (PARATRANSIT)
COMPARISON TO BUDGET - FISCAL YEAR 2009
AUGUST 31, 2008
(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	%
Passenger Revenue	\$ 294	\$ 275	\$ 18	6.7%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 294	\$ 275	\$ 18	6.7%
Personnel costs	\$ 18	\$ 34	\$ 16	48.1%
Outside services	1,765	1,798	33	1.8%
Transit operations funding	-	-	-	-
Materials and supplies	-	-	-	-
Energy	426	433	8	1.7%
Risk management	-	-	-	-
General & administrative	0	1	1	94.0%
Vehicle/facility leases	-	-	-	-
Amortization of net pension asset	-	-	-	-
Administrative Allocation	5	5	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 2,214	\$ 2,272	\$ 58	2.5%
Operating income (loss)	\$ (1,920)	\$ (1,996)	\$ 76	3.8%
Total public support and nonoperating revenues	-	-	-	-
Income (loss) before capital contributions	\$ (1,920)	\$ (1,996)	\$ 76	-3.8%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATIONS
CONSOLIDATED CHULA VISTA TRANSIT OPERATIONS
COMPARISON TO BUDGET - FISCAL YEAR 2009
AUGUST 31, 2008
(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ 645	\$ 509	\$ 136	26.7%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 645	\$ 509	\$ 136	26.7%
Personnel costs	\$ 40	\$ 55	\$ 14	26.3%
Outside services	992	978	(14)	-1.4%
Transit operations funding	-	-	-	-
Materials and supplies	-	3	3	-
Energy	190	207	17	8.4%
Risk management	-	-	-	-
General & administrative	-	1	1	-
Vehicle/facility leases	-	-	-	-
Amortization of net pension asset	-	-	-	-
Administrative Allocation	24	24	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 1,246	\$ 1,268	\$ 22	1.7%
Operating income (loss)	\$ (601)	\$ (759)	\$ 158	20.8%
Total public support and nonoperating revenues	1,207	1,207	-	0.0%
Income (loss) before capital contributions	\$ 606	\$ 448	\$ 158	35.2%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATIONS
CORONADO FERRY
COMPARISON TO BUDGET - FISCAL YEAR 2009
AUGUST 31, 2008
(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ -	\$ -	\$ -	-
Other Revenue	-	-	-	-
Total Operating Revenue	\$ -	\$ -	\$ -	-
Personnel costs	\$ -	\$ -	\$ -	-
Outside services	25	25	-	0.0%
Transit operations funding	-	-	-	-
Materials and supplies	-	-	-	-
Energy	-	-	-	-
Risk management	-	-	-	-
General & administrative	-	-	-	-
Vehicle/facility leases	-	-	-	-
Amortization of net pension asset	-	-	-	-
Administrative Allocation	-	-	-	-
Depreciation	-	-	-	-
Total Operating Expenses	\$ 25	\$ 25	\$ -	0.0%
Operating income (loss)	\$ (25)	\$ (25)	\$ -	0.0%
Total public support and nonoperating revenues	37	37	-	0.0%
Income (loss) before capital contributions	\$ 12	\$ 12	\$ -	0.0%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
ADMINISTRATION
CONSOLIDATED
COMPARISON TO BUDGET - FISCAL YEAR 2009
AUGUST 31, 2008
(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ -	\$ -	\$ -	-
Other Revenue	955	1,202	(247)	-20.5%
Total Operating Revenue	\$ 955	\$ 1,202	\$ (247)	-20.5%
Personnel costs	\$ 1,631	\$ 1,786	\$ 156	8.7%
Outside services	505	502	(3)	-0.6%
Transit operations funding	-	-	-	-
Materials and supplies	-	1	1	-
Energy	46	46	0	0.8%
Risk management	79	65	(14)	-22.4%
General & administrative	44	46	2	4.1%
Vehicle/facility leases	-	4	4	-
Amortization of net pension asset	-	-	-	-
Administrative Allocation	(1,552)	(1,552)	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 753	\$ 898	\$ 145	16.1%
Operating income (loss)	\$ 202	\$ 304	\$ (102)	33.5%
Total public support and nonoperating revenues	(860)	(860)	-	0.0%
Income (loss) before capital contributions	\$ (658)	\$ (556)	\$ (102)	18.3%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

OTHER ACTIVITIES

CONSOLIDATED

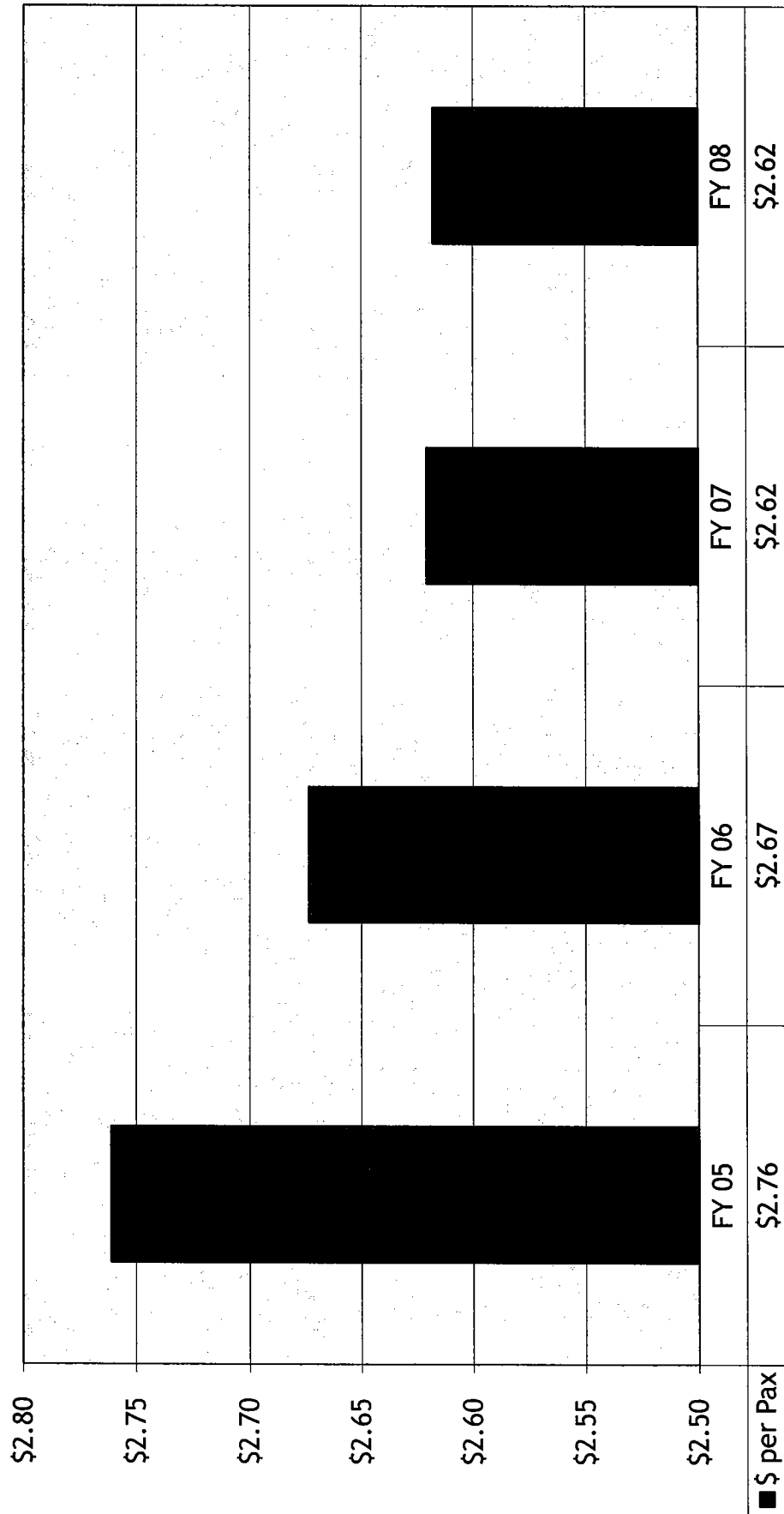
COMPARISON TO BUDGET - FISCAL YEAR 2009

AUGUST 31, 2008

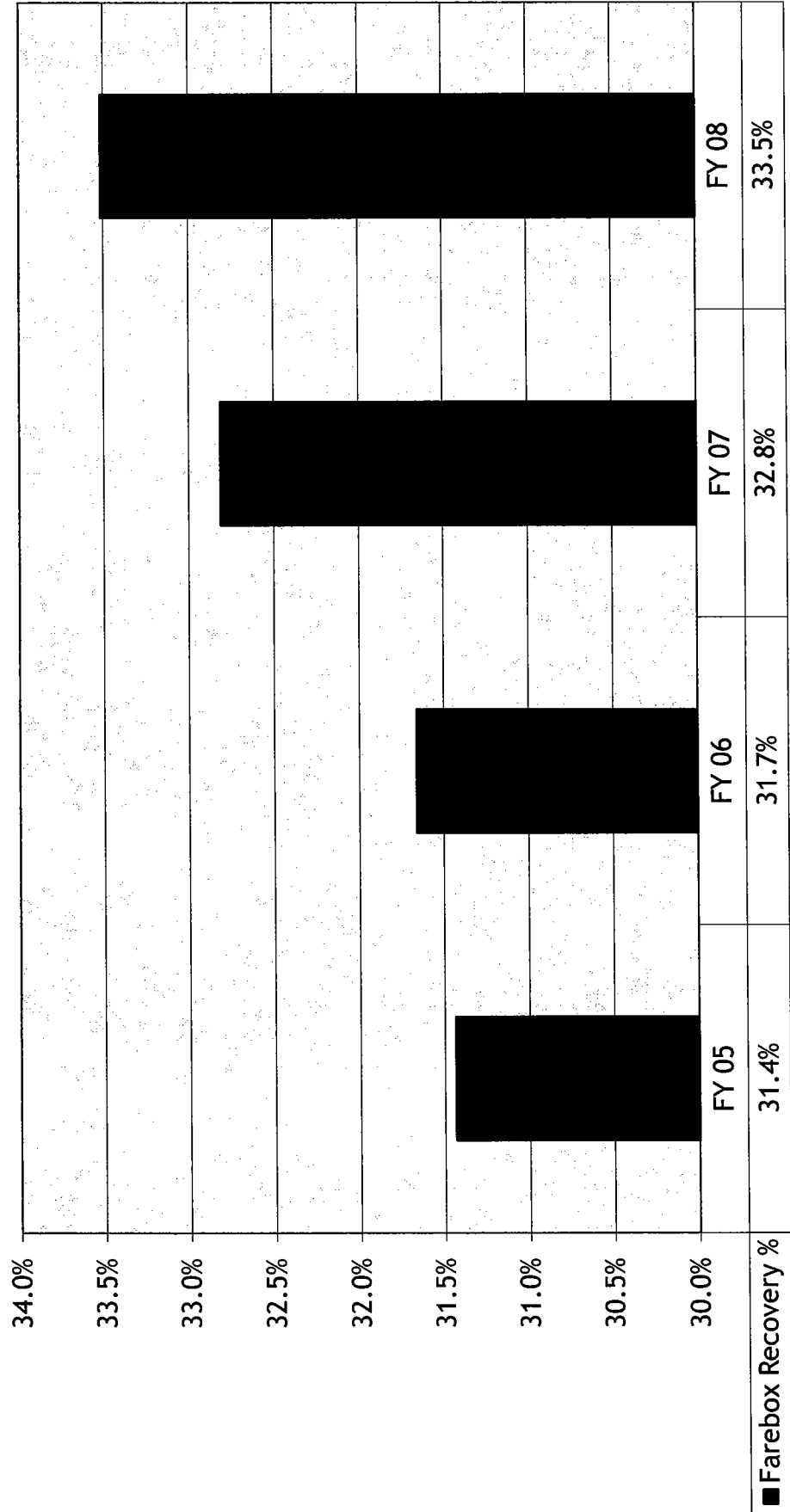
(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ -	\$ -	\$ -	-
Other Revenue	82	67	15	21.6%
Total Operating Revenue	\$ 82	\$ 67	\$ 15	21.6%
Personnel costs	\$ 82	\$ 82	\$ 0	0.3%
Outside services	4	27	23	84.9%
Transit operations funding	-	-	-	-
Materials and supplies	1	1	(0)	-21.6%
Energy	1	3	3	81.9%
Risk management	6	6	(0)	-3.9%
General & administrative	16	18	2	11.9%
Vehicle/facility leases	-	-	-	-
Amortization of net pension asset	-	-	-	-
Administrative Allocation	7	7	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 116	\$ 144	\$ 28	19.3%
Operating income (loss)	\$ (34)	\$ (77)	\$ 42	55.3%
Total public support and nonoperating revenues	-	-	-	-
Income (loss) before capital contributions	\$ (34)	\$ (77)	\$ 42	-55.3%

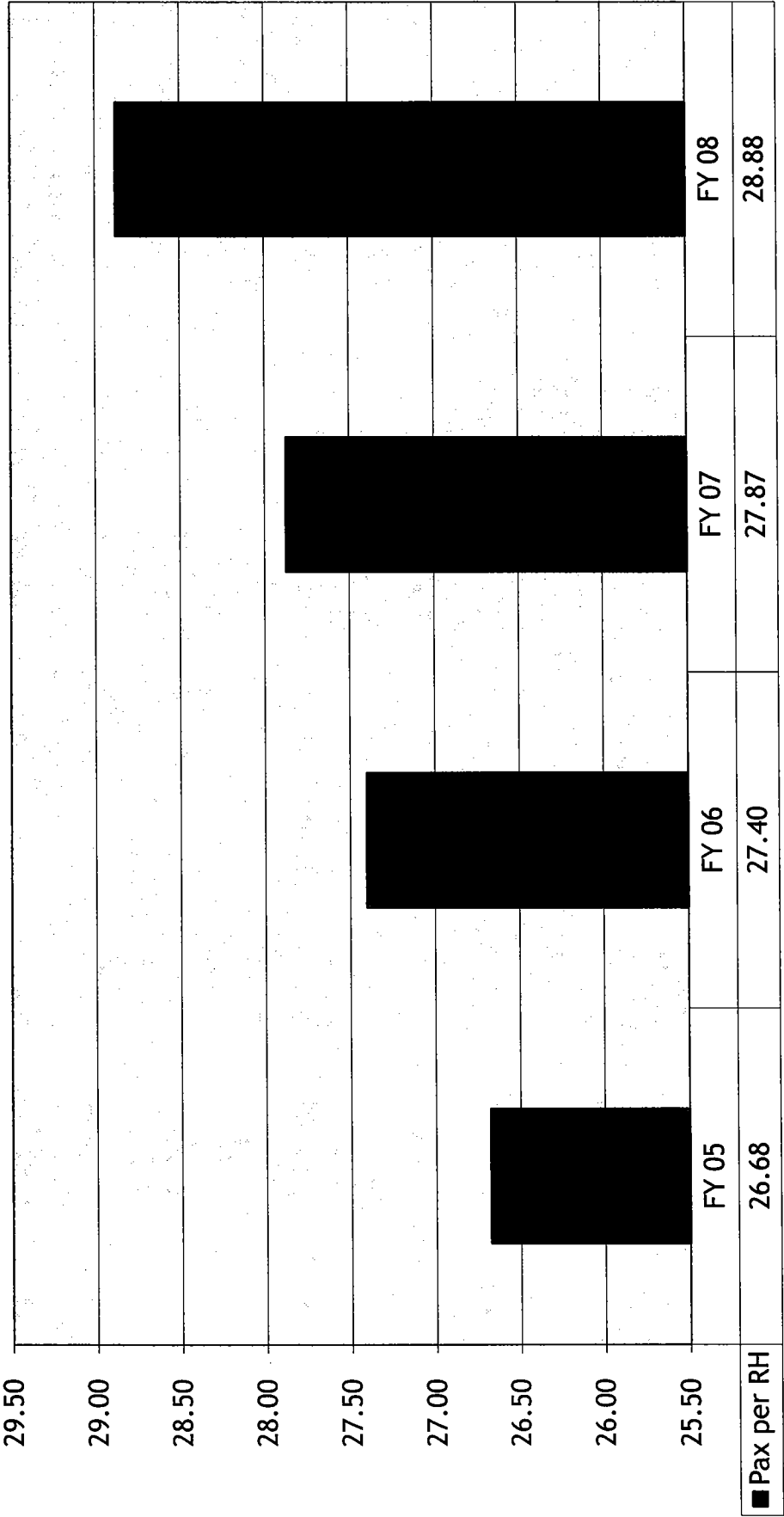
MTS BUS AND CONTRACT SERVICES COMBINED OPERATING COST PER PASSENGER



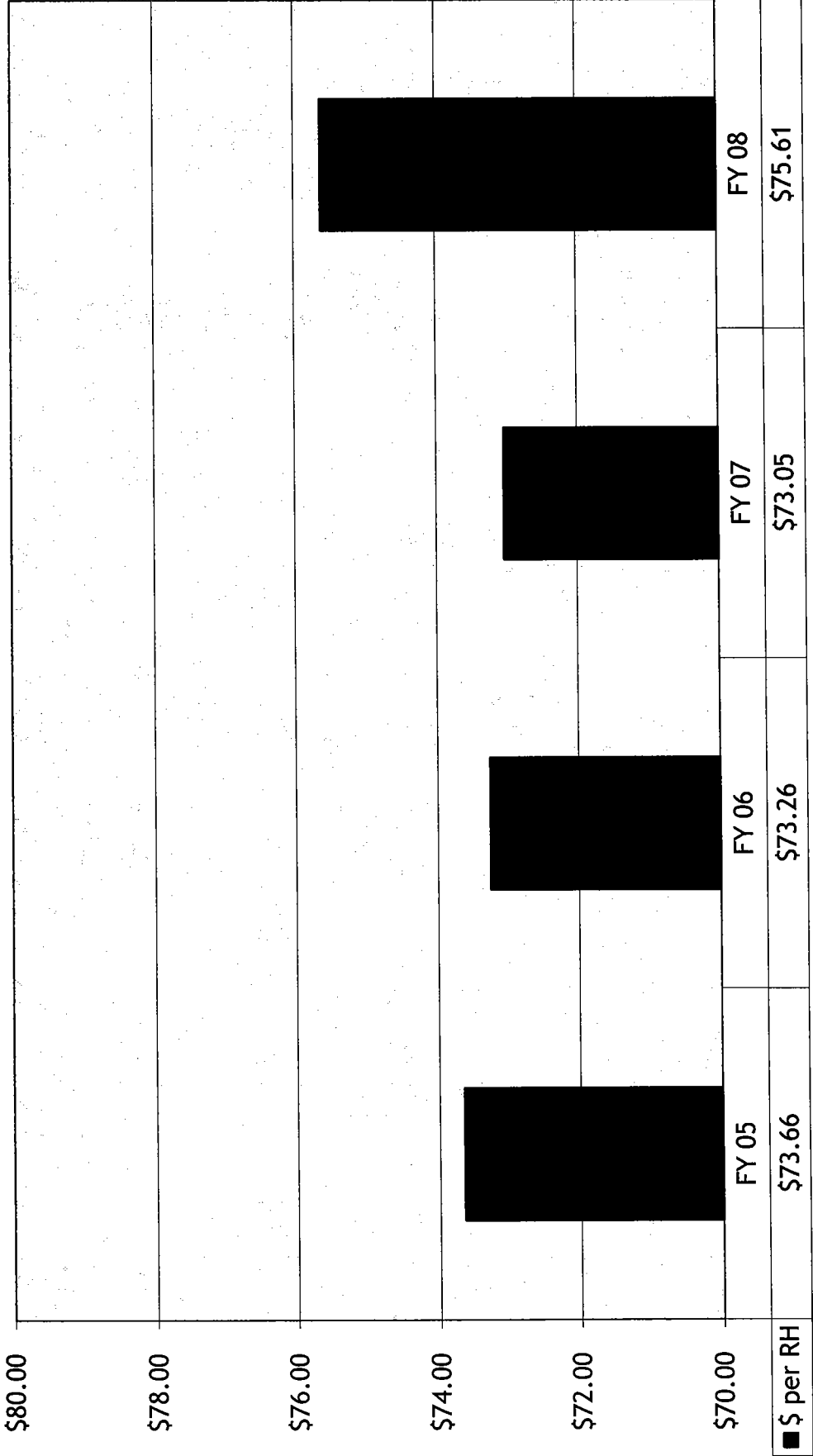
MTS BUS AND CONTRACT SERVICES COMBINED FAREBOX RECOVERY RATIO



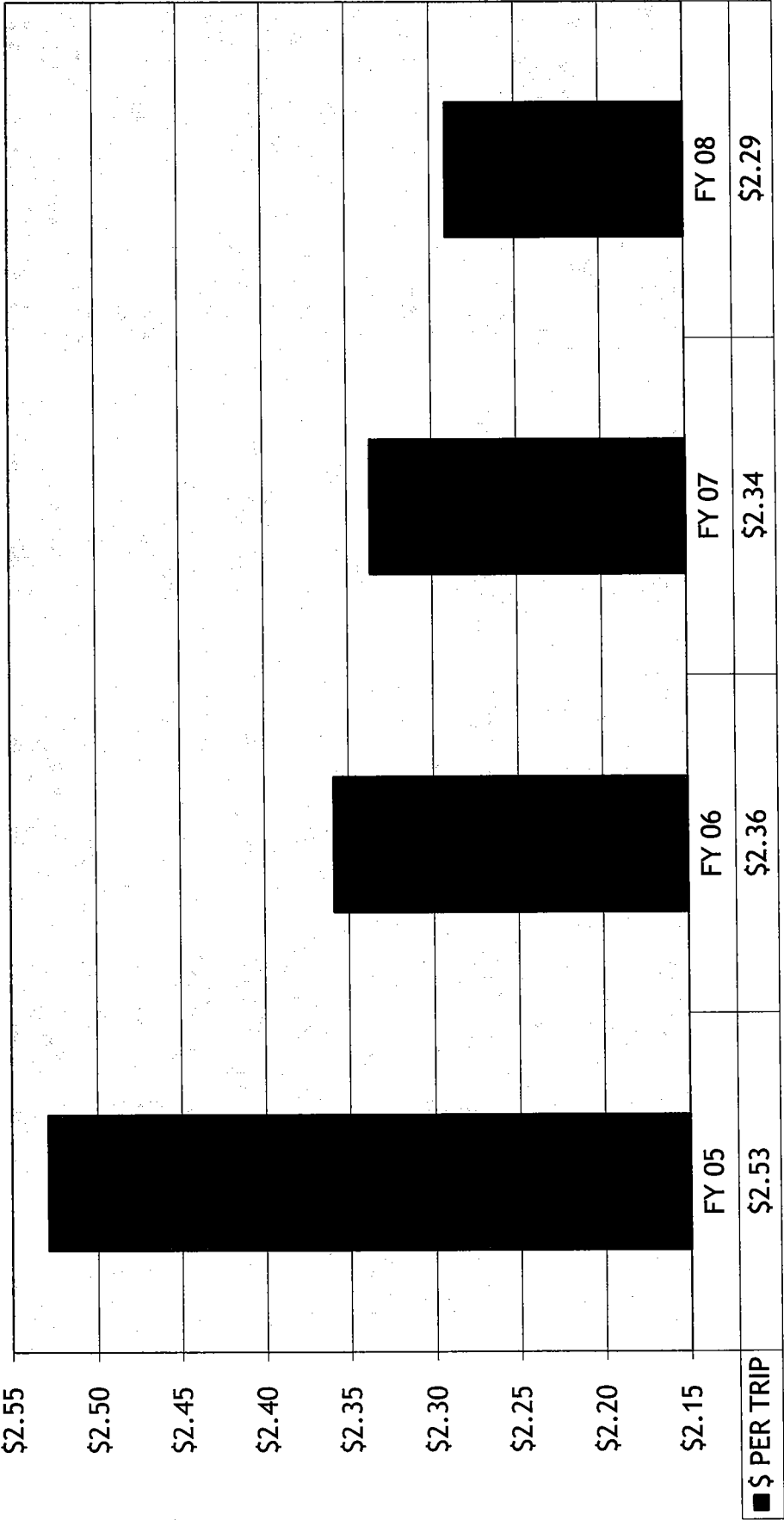
MTS BUS AND CONTRACT SERVICES
PASSENGERS PER REVENUE HOUR



MTS BUS AND CONTRACT SERVICES COMBINED
COST PER REVENUE HOUR



MTS BUS AND CONTRACT SERVICES COMBINED
COST PER PAX, MINUS FUEL



Metropolitan Transit System FY 2009 - August 2008 Financial Review

MTS Board of Directors Meeting
October 30, 2008



COMBINED MTS TRANSIT OPERATORS COMPARISON TO BUDGET - AUGUST 31, 2008 - FY 2009 (in \$000's)

	ACTUAL	BUDGET	VARIANCE	% VAR
Fare Revenue	\$15,263	\$13,731	\$1,532	11.2%
Other Revenue	68	104	(35)	-34.0%
Total Operating Revenue	\$15,331	\$13,835	\$1,496	10.8%

- Variance with Budget
 - Ridership contributed 3.5% to the favorable variance
 - Average Fares contributed 7.7% to the favorable variance
- Comparison to Prior Year
 - Ridership increased by 4.7%
 - Average Fares increased by 14.0%



**COMBINED MTS TRANSIT OPERATORS
COMPARISON TO BUDGET - AUGUST 31, 2008 - FY 2009**
(in \$000's)

	ACTUAL	BUDGET	VARIANCE	% VAR
Personnel Costs	\$15,151	\$15,322	\$171	1.1%
Purchased Transportation	9,468	9,627	158	1.6%
Other Outside Services	2,140	2,441	301	12.3%
Energy	6,074	5,200	(874)	-16.8%
Other Expenses	3,432	3,490	57	1.6%
Total Expenses	\$36,266	\$36,080	(\$186)	-0.5%

- Energy - Year to date rates:

- CNG averaged \$1.804 per therm vs. budget of \$1.470
- Diesel averaged \$4.090 per gallon vs. budget of \$3.290



**METROPOLITAN TRANSIT SYSTEM
COMPARISON TO BUDGET - FY 2009**
TOTAL REVENUE LESS EXPENSES
(in \$000's)

Combined Net Operating Variance		
MTS Operating Revenue	\$	1,496
MTS Operating Expenses		(186)
MTS Administration / Other Activities		(59)
Total Combined Net Operating Variance	\$	1,251



**COMBINED MTS TRANSIT OPERATORS
SUBSIDY REVENUE PROJECTION
(in \$000's)**

	FY 2009 BUDGET	FY 2009 AMENDED FORECAST	VARIANCE	% VAR
TDA	\$77,152	\$73,256	(\$3,895)	-5.3%
TransNet	21,479	20,229	(1,250)	-6.2%
STA - Operating/Capital *	14,079	?		
Total Operating Revenue	\$112,710	\$93,486	(\$5,145)	-5.5%

* Operating Budget \$13.3M, Capital Budget \$0.8M



Metropolitan Transit System FY 2009 - August 2008 Financial Review

MTS Board of Directors Meeting
October 30, 2008





1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
619.231.1466, FAX 619.234.3407

Agenda

Item No. 46

JOINT MEETING OF THE BOARD OF DIRECTORS
for the
Metropolitan Transit System,
San Diego Transit Corporation, and
San Diego Trolley, Inc.

OPS 960.2

October 30, 2008

SUBJECT:

MTS: TRANSIT SERVICES YEAR-END REPORT

RECOMMENDATION:

That the Board of Directors receive a report for information.

Budget Impact

None.

DISCUSSION:

This report provides summaries of in-house and contracted fixed-route and paratransit operations in FY 08.

MTS BUS IN-HOUSE OPERATIONS

Ridership

In-house, fixed-route bus operations experienced a 7.7% increase in ridership with an increase of nearly 2 million additional passengers (28,086,124 passengers in FY 08).

Operations Review

The 24 fixed-routes operated 870,793 revenue hours in FY 08 and travelled 9,534,910 revenue miles. The direct operating expense with overhead was \$79,436,052, which



Metropolitan Transit System (MTS) is a California public agency and is comprised of San Diego Transit Corporation and San Diego Trolley, Inc. nonprofit public benefit corporations, in cooperation with Chula Vista Transit and National City Transit. MTS is the taxicab administrator for eight cities and the owner of the San Diego and Arizona Eastern Railway Company. MTS member agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.

included a fuel expense of \$8,469,271. Excluding fuel, the per-passenger cost was \$2.53.

Americans with Disabilities Act (ADA) Ridership

In FY 08, MTS Bus experienced a 20% increase in the use of wheelchair lifts or ramp deployments. During FY 08, the ramp/lifts were deployed on 310,456 occasions, with nearly 30,000 deployments per month during the last quarter of FY 08. By increasing the percentage of ramp-equipped buses, MTS Bus can better handle the increased demand for ramp services on fixed-route operations.

Productivity of Operations

A good measure of the success and effectiveness of operations and scheduling is passengers per revenue hour, which measures whether transit resources are deployed based on demand. MTS Bus increased its passengers per revenue hour by 6% and achieved 32.25 passengers per revenue hour for all of FY 08 as compared to 30.41 in FY 07.

Farebox Recovery Ratio

The farebox recovery ratio for MTS Bus has shown continuous improvement over the past four years. For FY 08, the farebox recovery ratio was 29.8%, which is a 2.9% increase over FY 07.

Service Quality

MTS Bus has been engaged in an active campaign to modify bus operator behavior and provide its customers with a more service-oriented driver representative. Bus operators are the primary ambassadors of MTS Bus. In FY 08, complaints per 100,000 passengers rose only slightly from 8.42 in FY 07 to 8.69 in FY 08. MTS continues to counsel and retrain bus operators to improve service quality.

Maintenance

FY 08 was a challenging year for MTS Bus Maintenance Department as many vehicles were completing their 17th year of operation. The mean distance between failures (MDBF) was 6,834 miles due in part to the operation of the oldest subfleets (1100 and 1200 series buses). Excluding the oldest subfleets, the MDBF was 7,834, which is in line with the national averages.

Safety

The commitment to safety is evident in the substantial retraining of bus operators in the Smith System of Defensive Driving Program. MTS Bus reduced preventable accidents to 1.53 for every 100,000 miles driven, which is a 3% improvement in this safety metric.

MTS BUS CONTRACT SERVICE OPERATIONS

Ridership

MTS Contract Services (MCS) transported 20,870,530 fixed route-passengers, which represents a 6.3% increase over FY 07 levels. The MCS fixed-route network operated at a passenger per-revenue-hour level of 25.32 passengers per revenue hour. MTS Paratransit Services (which includes Access, Suburban Paratransit, Direct Access to Regional Transit and Sorrento Valley Coaster Connection) carried a total of 589,743 passengers in 194,636 revenue hours over 3,295,440 revenue miles. Overall productivity on Paratransit Services was 3.03 passengers per hour. MTS's Access and Suburban Paratransit ADA service carried a total of 366,727 passengers and provided 177,162 revenue hours of service for a productivity factor of 2.07 passengers carried per revenue hour, which is considered by the industry to be a favorable ADA productivity number.

Operation Review

The MCS fixed-route network operated 824,244 revenue hours and travelled 9,218,022 revenue miles during FY 08. Revenue hours increased by 5.3%, and revenue miles increased by 3.9% as compared to FY 07.

MCS ended FY 08 favorable to budget. FY 08 fare revenues increased by 12.5% to \$19,273,540 for a farebox recovery ratio of 39.6% of MTS's total fixed-route operating expense of \$48,724,726. The FY 08 cost per revenue hour of \$59.11 was up only 1.3% from FY 07 levels, which is a continued indication of efficient operation. The FY 08 operating cost per passenger, excluding energy, was \$1.97.

Safety

MCS safety performance remained strong in FY 08. Fixed-route operations experienced 1.83 preventable accidents per 100,000 miles, and ADA Paratransit operations experienced 1.25 accidents per 100,000 miles. MTS Contract Services worked in cooperation with MTS Bus to further the coordination of efforts between staffs.

CHULA VISTA TRANSIT OPERATIONS

Ridership

Under the MTS contract with Veolia Transportation, Chula Vista Transit (CVT) transported 3,393,763 passengers in FY 08, which is a 1.08% increase over FY 07 levels. Overall, CVT passengers per revenue hour of 29.36 was up 2.75% over FY 07 levels.


Operation Review

CVT is responsible for the operation of the 700-series routes in Chula Vista. CVT operated 1,254,511 revenue miles and 115,526 revenue hours in FY 08, which is a 5.21% decrease and 1.69% decrease over FY 07 levels, respectively.

CVT ended FY 08 favorable to budget. FY 08 fare revenues increased by 16.78% to \$3,002,846 (\$2,674,285 FY08 budget) for a farebox recovery ratio of 41.7%. The total expenses were \$7,208,989, which is under the FY 08 budget of \$7,353,141. The overall operating cost per passenger was \$2.12.

THE FUTURE FOR MTS BUS

The delivery of 50 New Flyer coaches, 26 North American Bus Industries (NABI) articulated buses, and 50 Starcraft paratransit vehicles branded in the red and white pinwheel design will offer MTS passengers increased comfort and service reliability during FY 09. Implementation of onboard surveillance cameras and the Compass Card are two ongoing efforts. The system continues to be challenged by sharp increases in demand for bus services during a time of fiscal constraint, but MTS Bus employees are eager to showcase the agency's commitment to professionalism and service to the community.


Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Jim Byrne jim.byrne@sdmts.com, 619.238.0100, Ext. 6420

OCT30-08.46.TRANSIT SERVICES YEAR END REPORT.JBYRNE.doc

Attachment: A. Combined Transit Services Charts

MTS Bus and MTS Contract Services

FY 08
Year End
Operational Report



MTS Bus and Contract Services



Financial Management

	FY 05	FY 06	FY 07	FY 08
Ridership	41,937,645	43,185,627	45,711,396	48,928,096
Annual Revenue	1,572,105	1,575,903	1,640,020	1,695,037
Hours				
Direct Operating Expense	116,331,378	114,666,631	119,077,386	124,941,538
Direct Operating Expense w/OH	119,331,378	118,616,906	123,373,479	128,160,778
Fuel Expense	9,751,879	13,589,819	13,003,369	16,007,549
Annual Fare Revenue	36,399,864	37,835,708	39,410,020	42,953,720
Annual Operating Subsidy	82,931,514	80,781,198	83,963,459	85,207,058



3

Operational Results

	FY 05	FY 06	FY 07	FY 08
Farebox Recovery Ratio	31.29%	33.00%	33.10%	33.52%
Passengers per Revenue Hour	26.68	27.40	27.87	28.87
Cost per Revenue Hour	74.00	72.76	72.61	75.61
Fuel Cost per Revenue Hour	6.20	8.62	7.93	9.44
Cost per Passenger	2.77	2.66	2.60	2.62
\$ per Passenger, less Fuel	2.54	2.34	2.32	2.29
Annual Revenue Miles	19,163,539	18,292,337	18,441,524	18,752,932



4

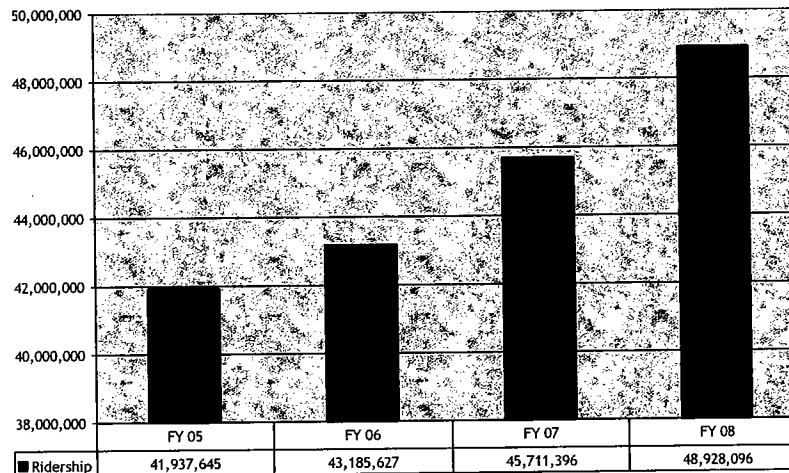
FY 08 Milestones

1. During FY 08, MTS Bus worked with Contract Services to bring greater alignment in our two services. We are pleased to be able to present consolidated results for FY 08.
2. Together, MTS Bus and Contract Services transported nearly 49 million passengers, an increase of 3 million passengers or 7% over our FY 07 passenger total. Farebox recovery ratio increased by 3% to 33.5% and the Passengers per Revenue Hour measurement increased by 3.6% to 28.8 passengers per hour.
3. Both operations finished the fiscal year favorable to budget despite the escalation of fuel prices experienced in FY 08. Excluding fuel, our cost per passenger decreased from \$2.32 per passenger to \$2.29 due to the dramatic increase in riders.
4. MTS negotiated a 5 year labor agreement with the Amalgamated Transit Union. MTS also graduated our first four apprentices in our state approved Apprenticeship Program and they are working as Certified Journeymen.
5. MTS successfully procured the purchase of 50 New Flyer 40' coaches, 26 NABI Articulated 60' buses and 50 ADA paratransit vehicles.



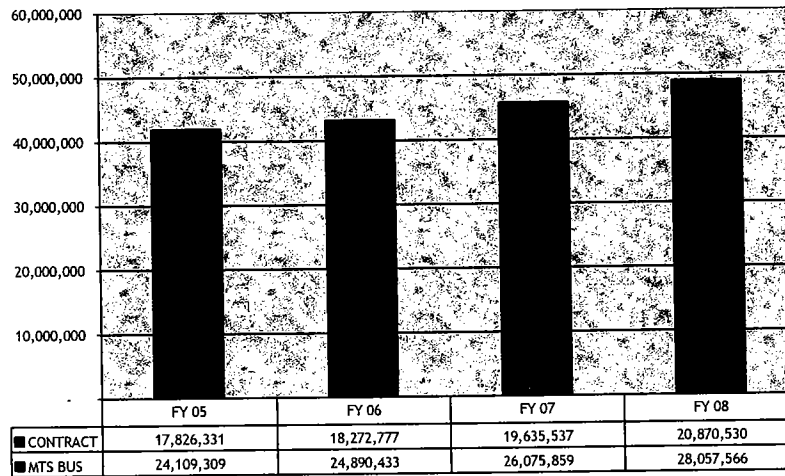
5

ANNUAL RIDERSHIP



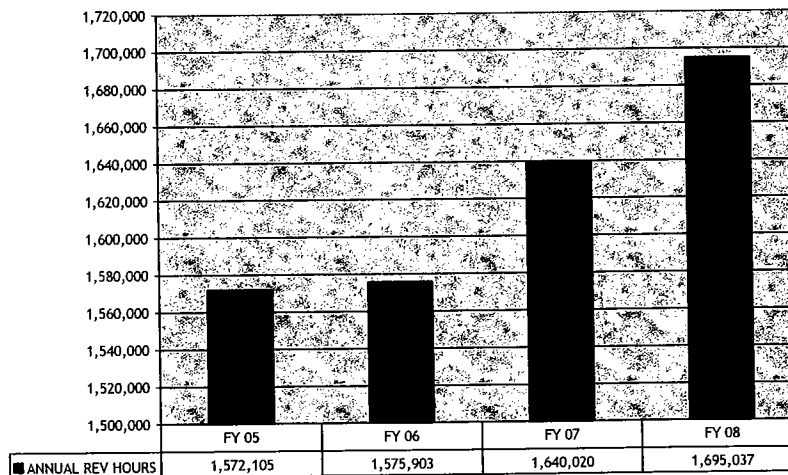
6

MTS BUS & CONTRACT SERVICES ANNUAL RIDERSHIP

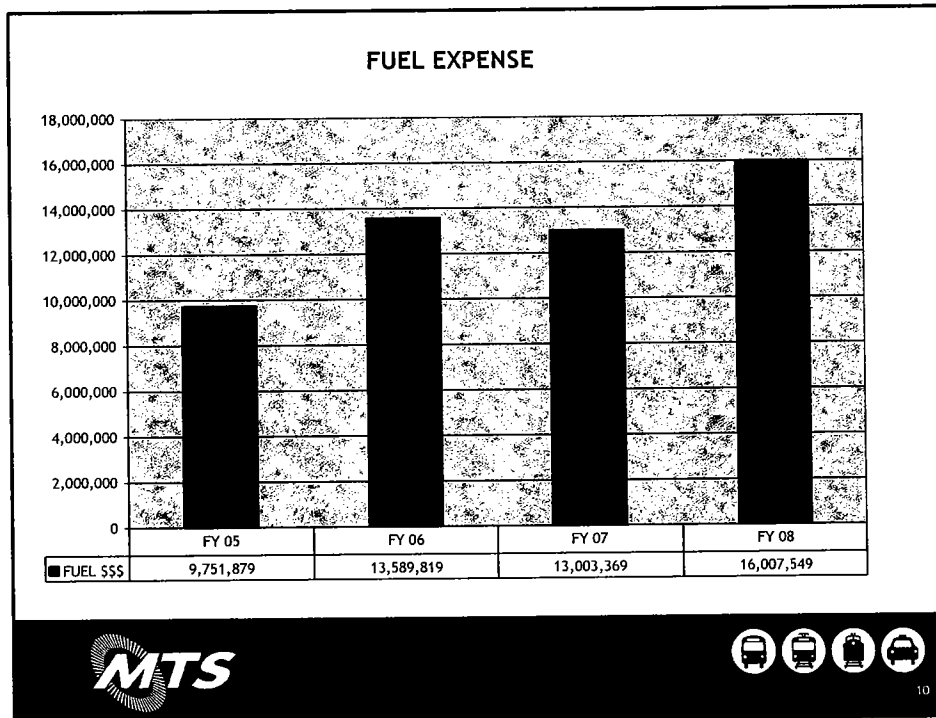
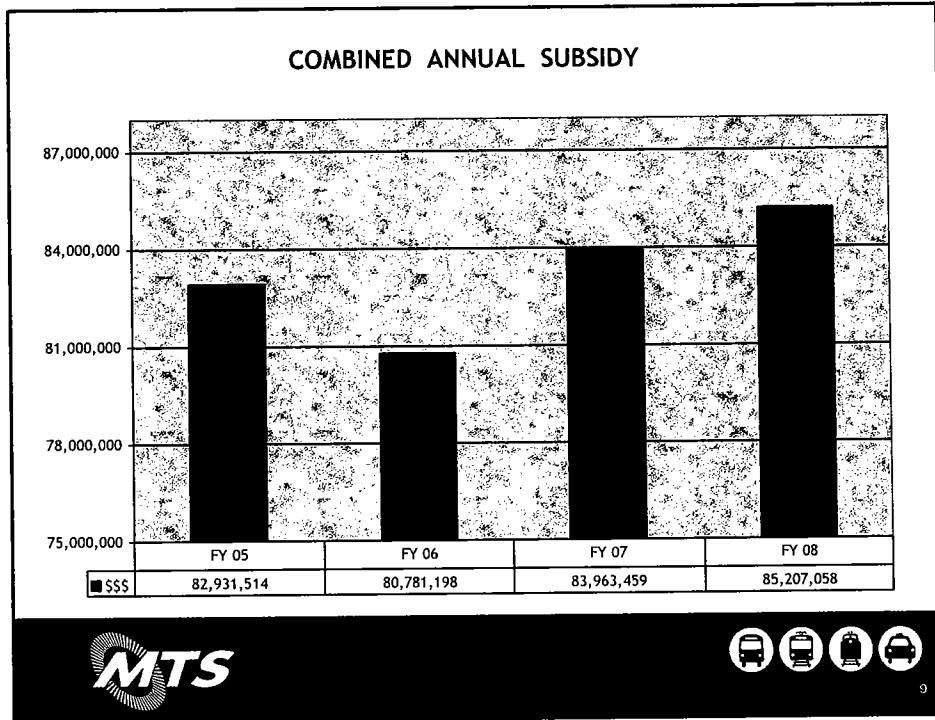


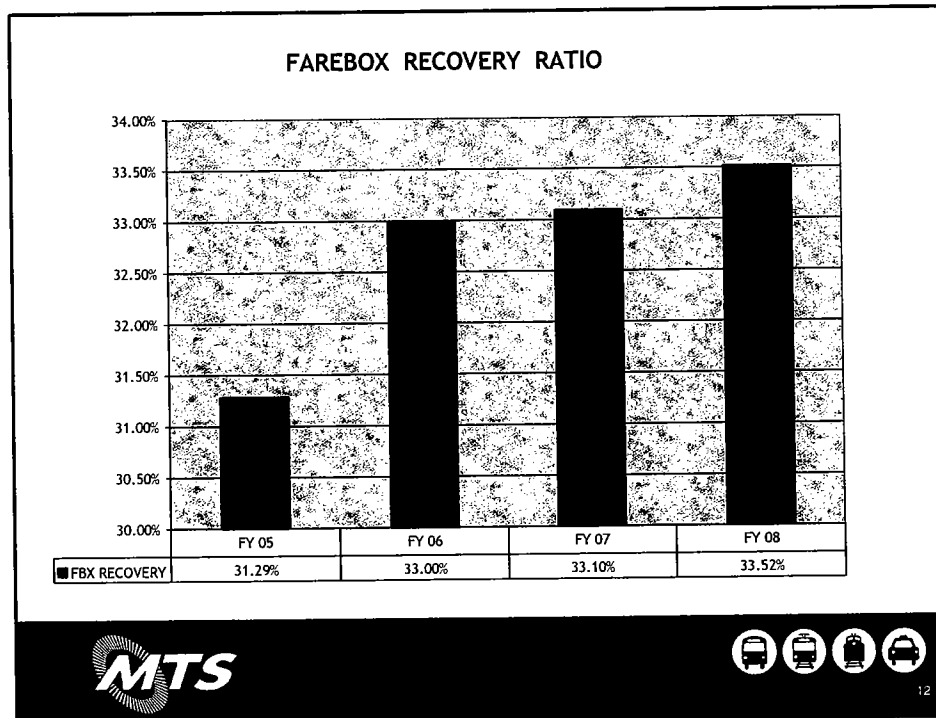
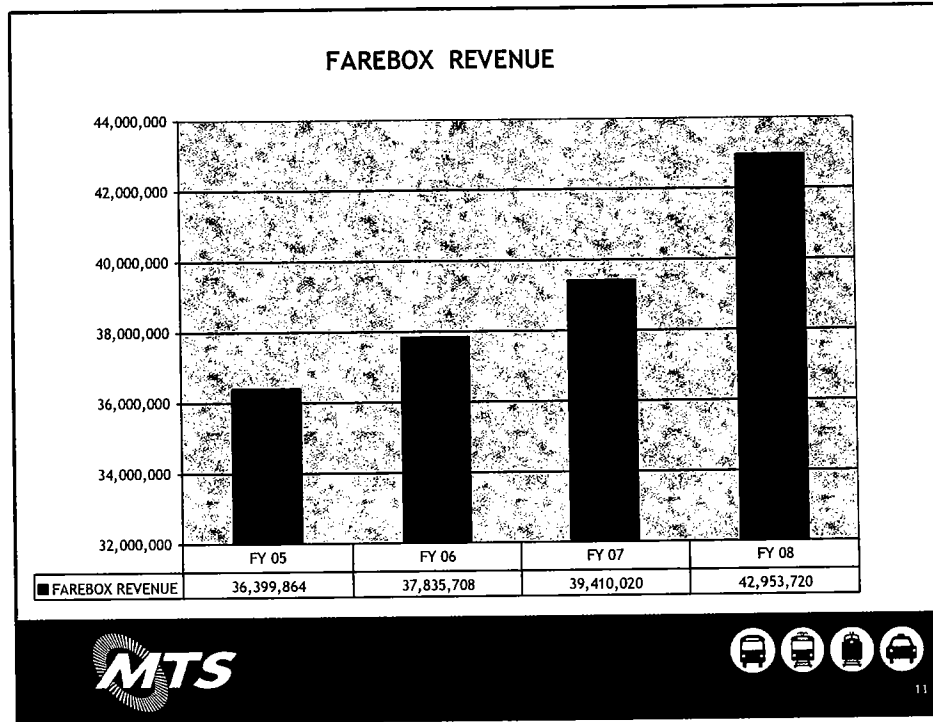
7

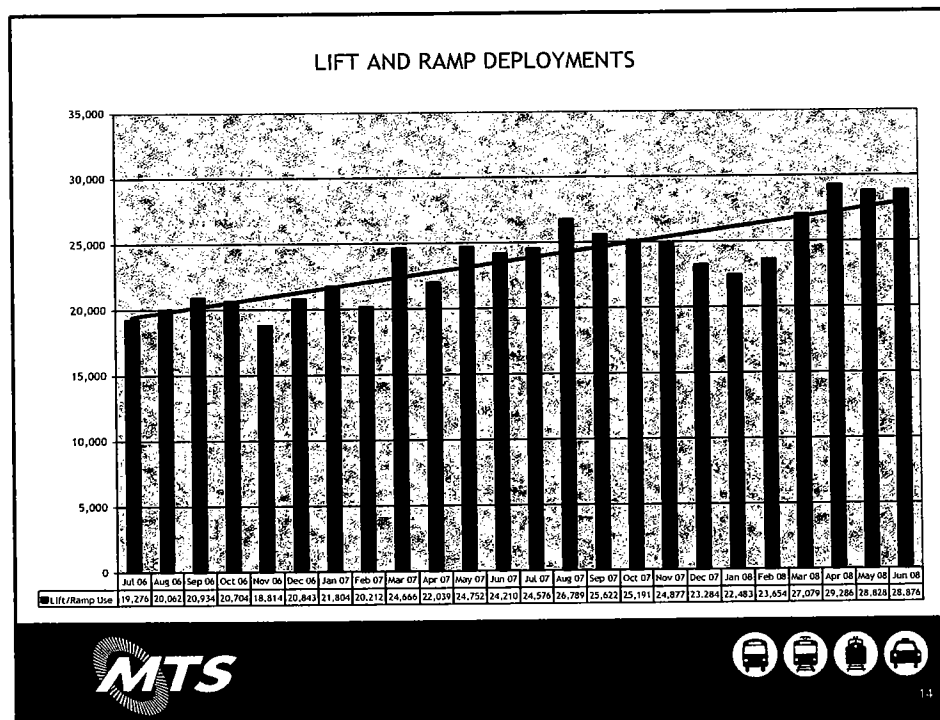
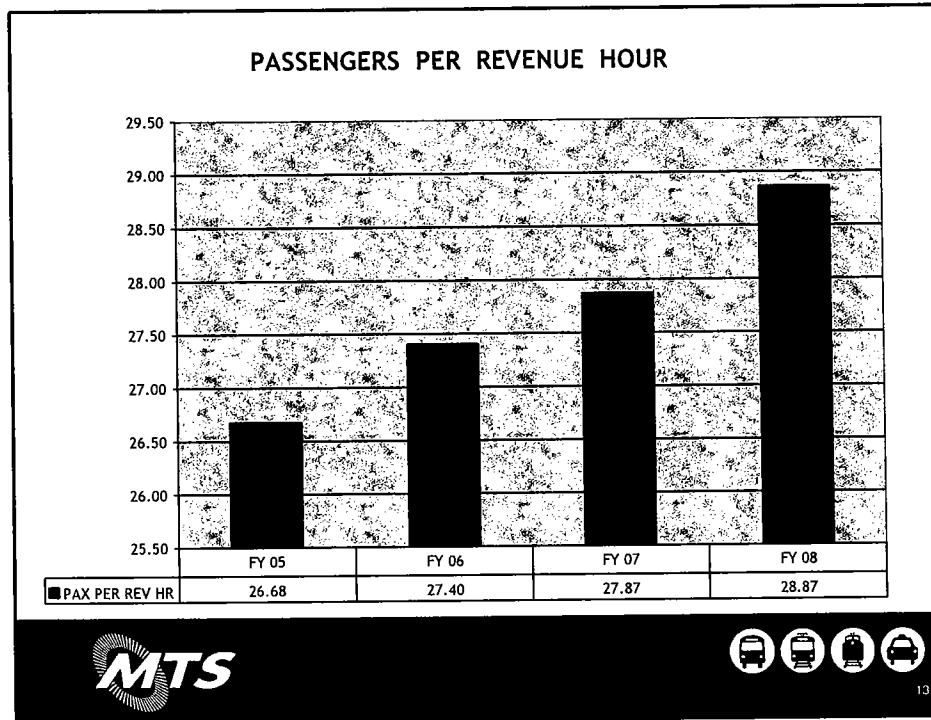
ANNUAL REVENUE HOURS

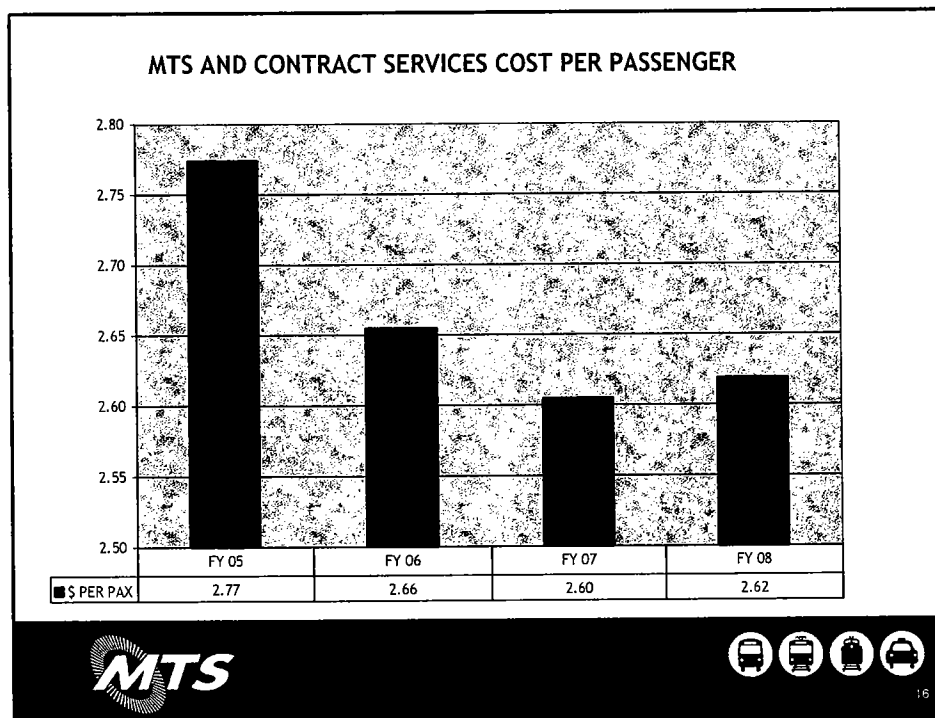
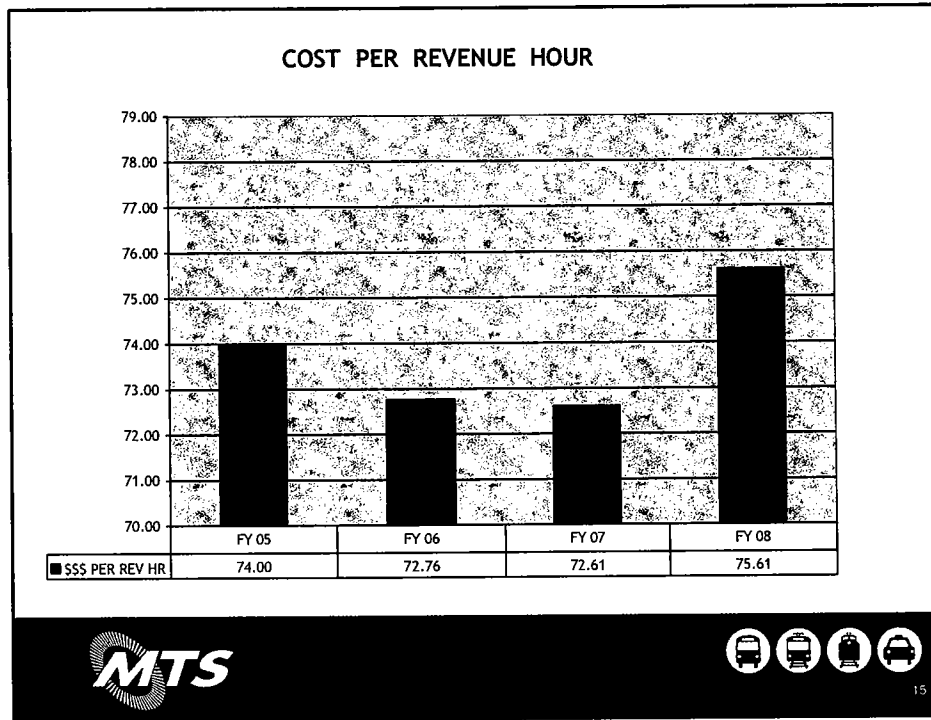


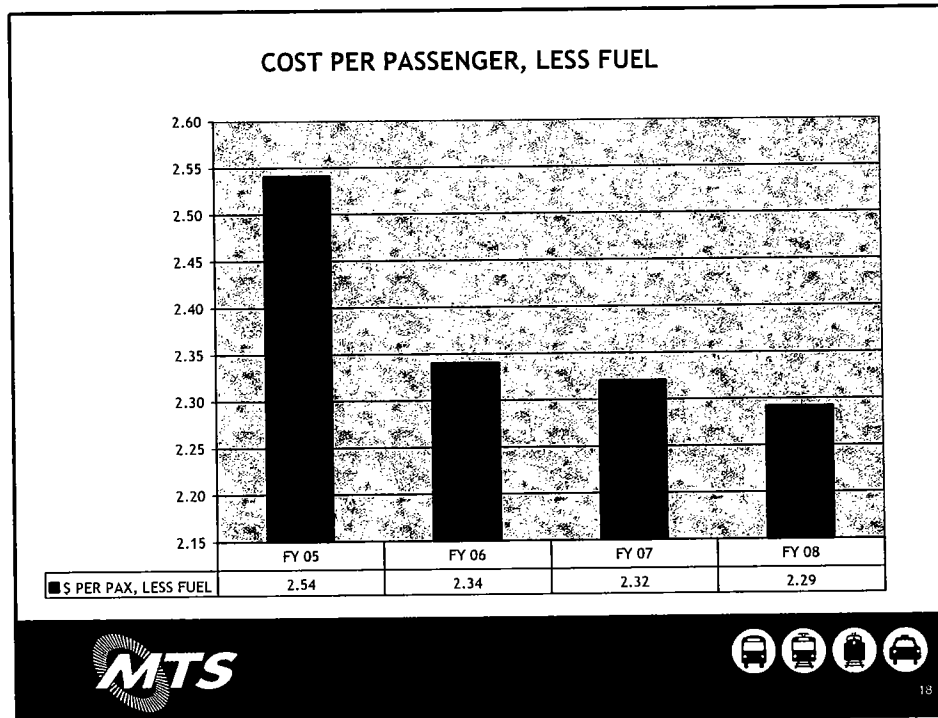
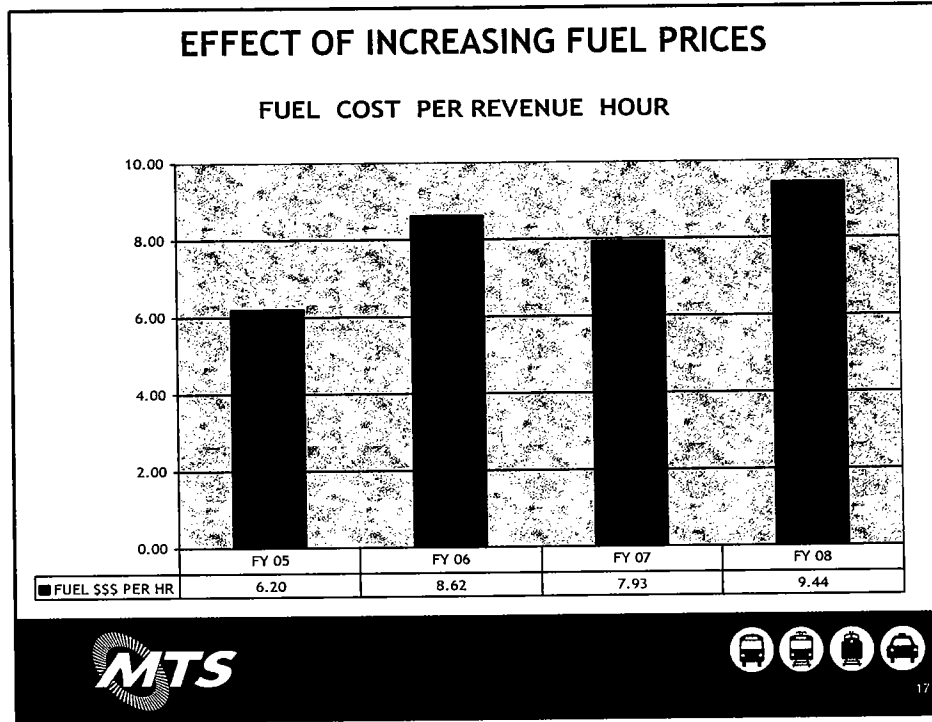
8

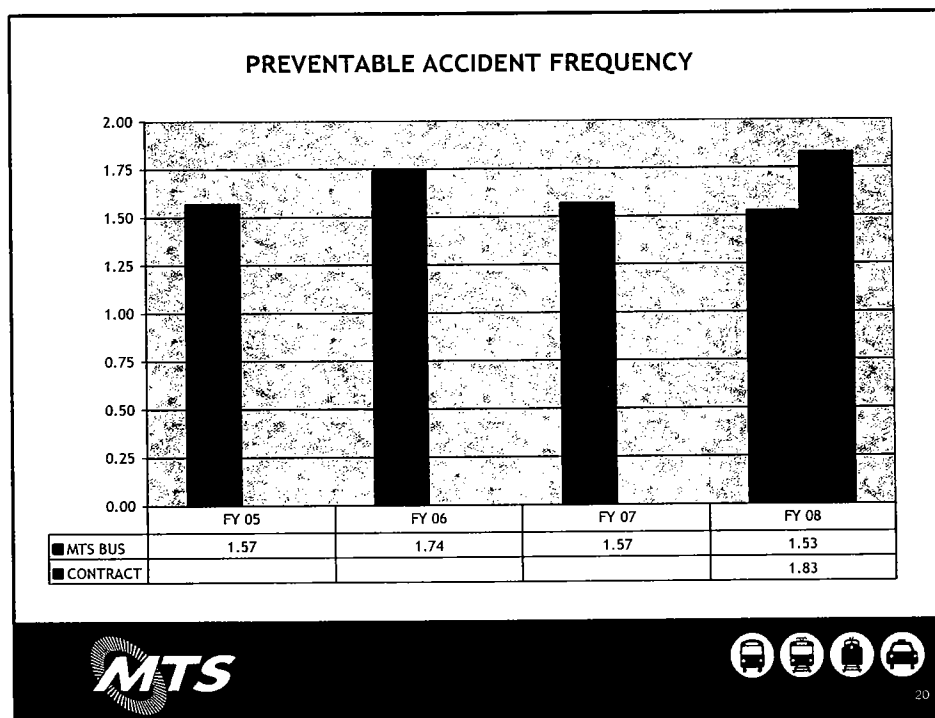
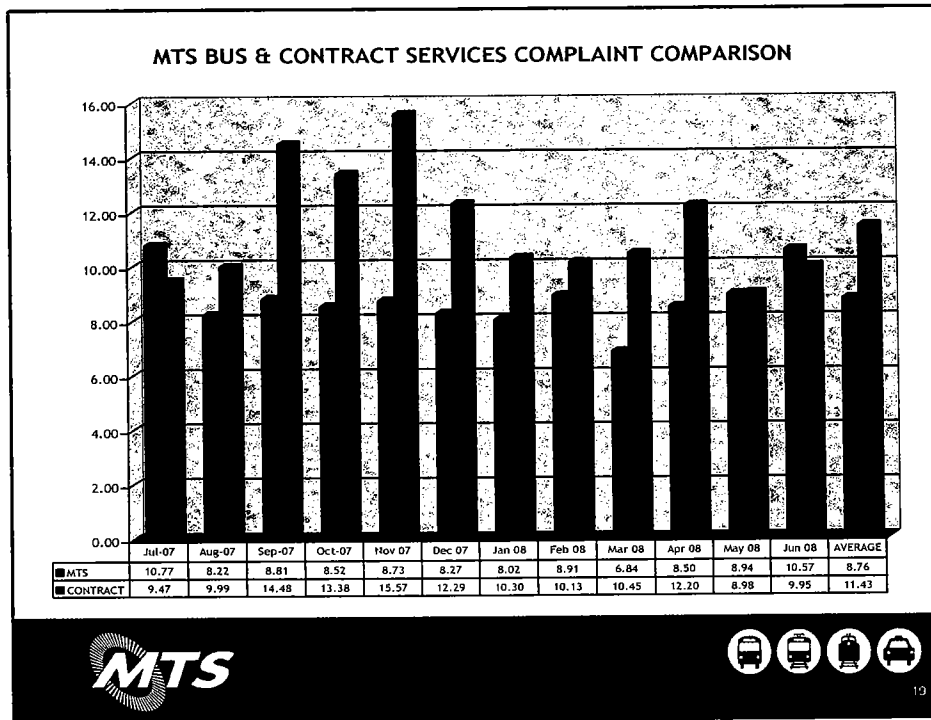












MTS CONTRACT SERVICES - Paratransit

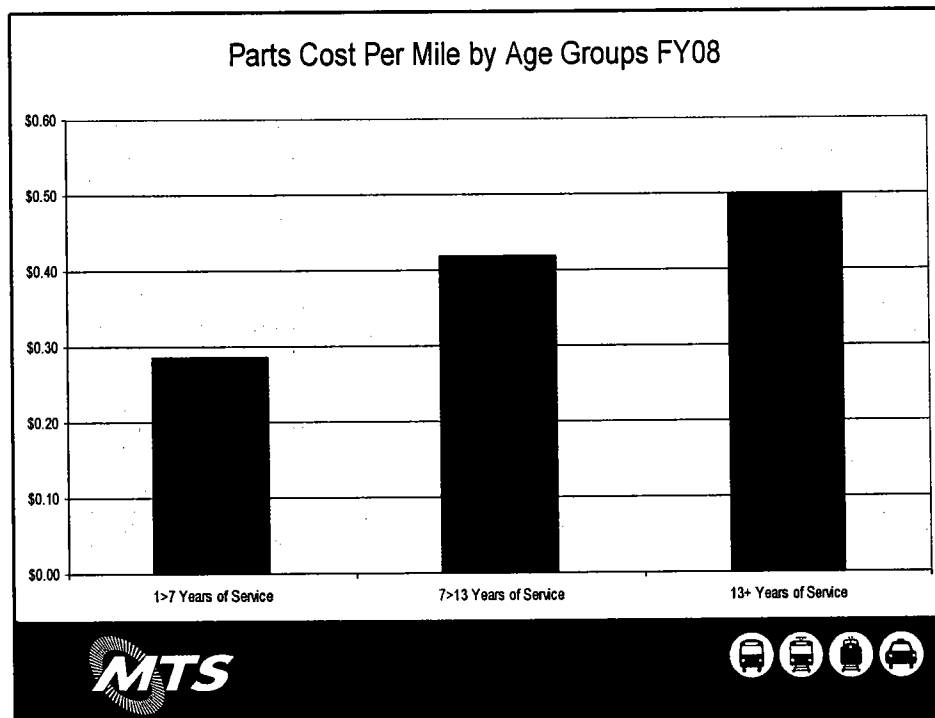
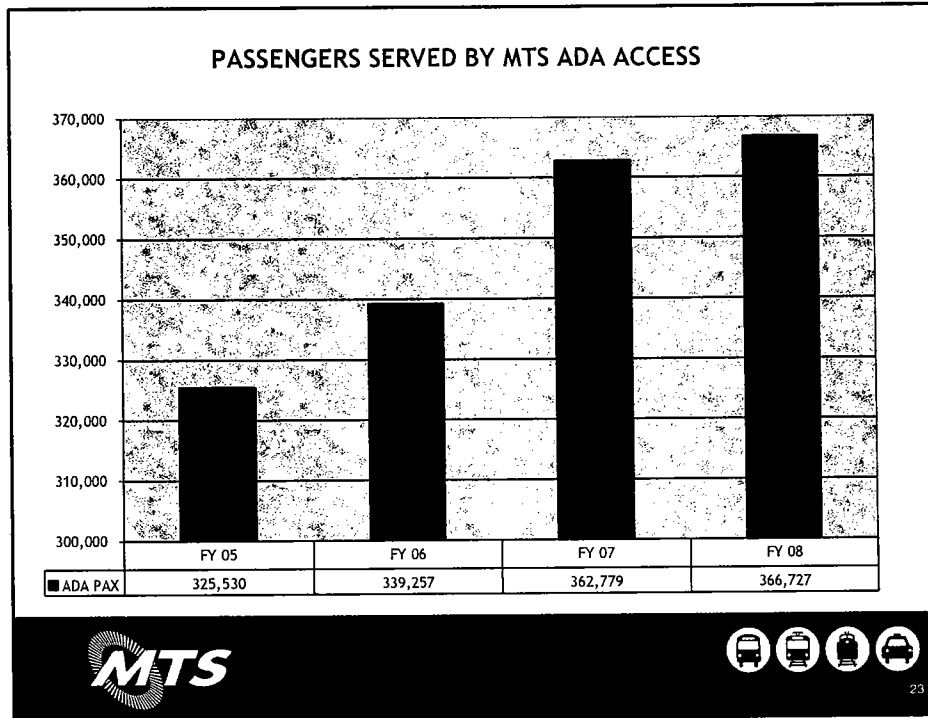
- First Transit did an exceptional job in achieving a 2.07 passengers per revenue hour productivity.
- We were able to order an additional fifty (50) paratransit vehicles which are being delivered between now and the end of 2008. All paratransit vehicles will be less than two years old on January 1, 2009.

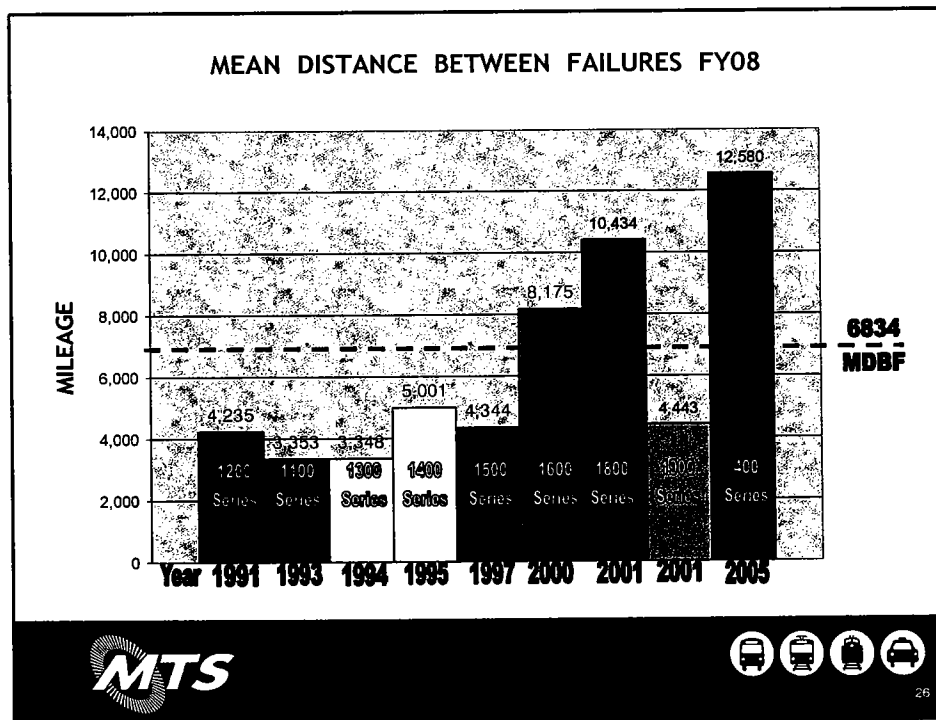
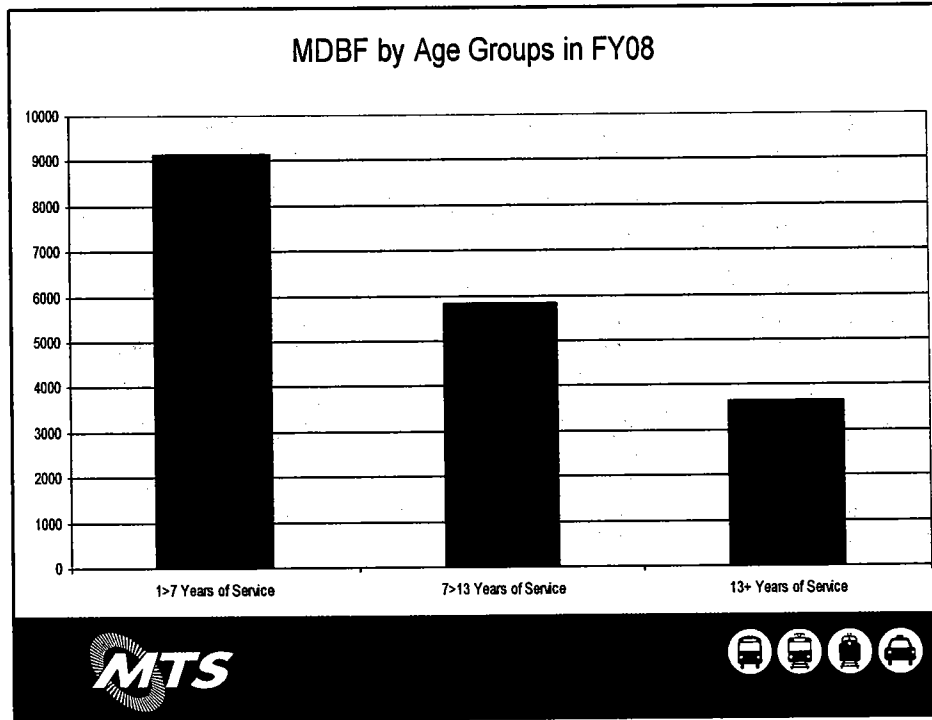


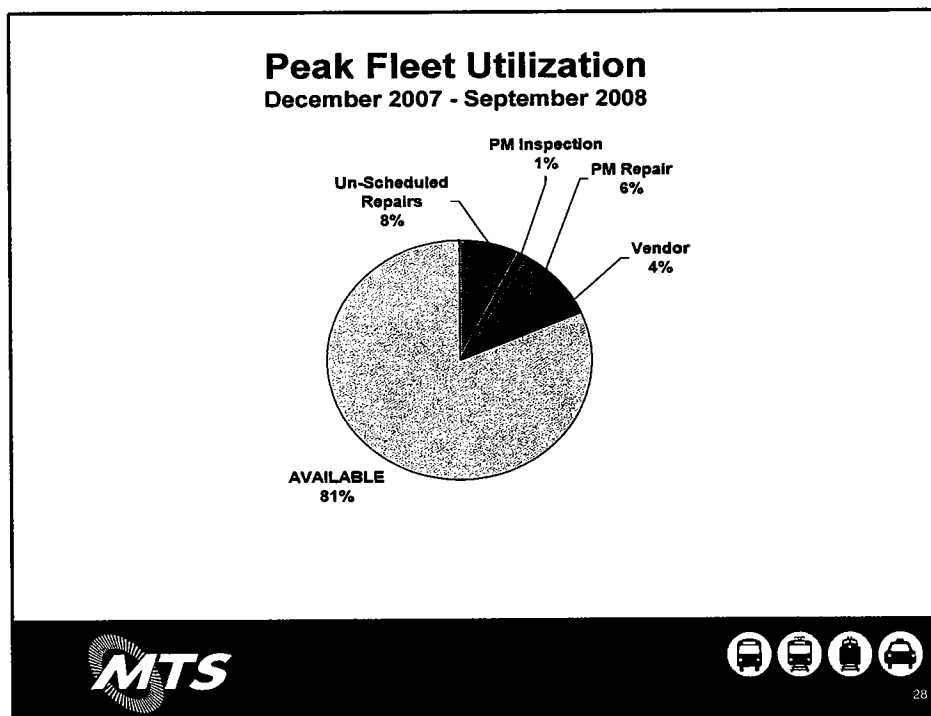
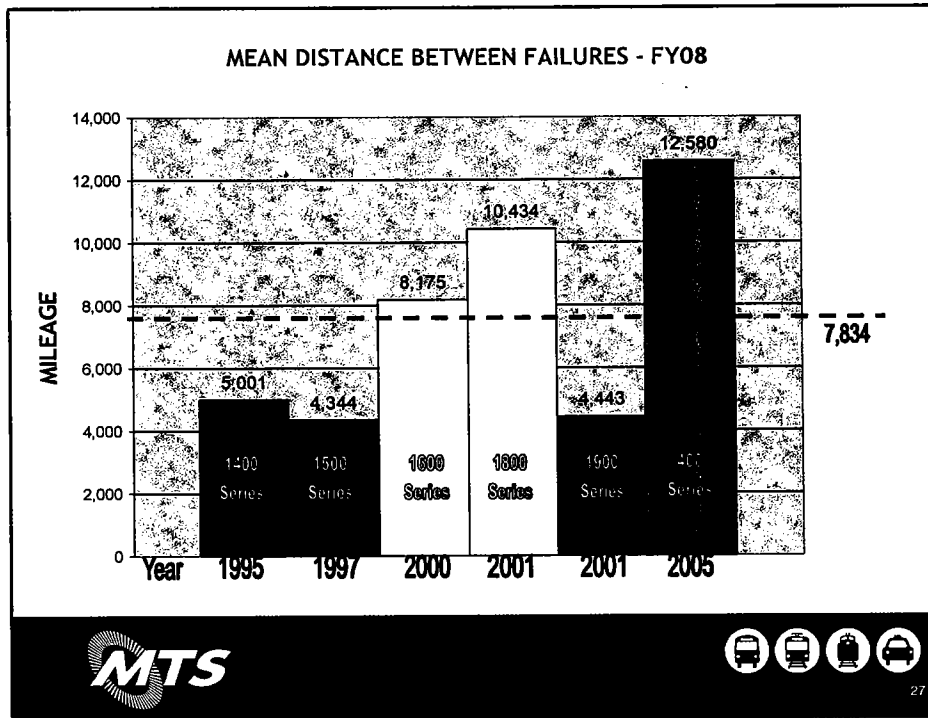
21



22







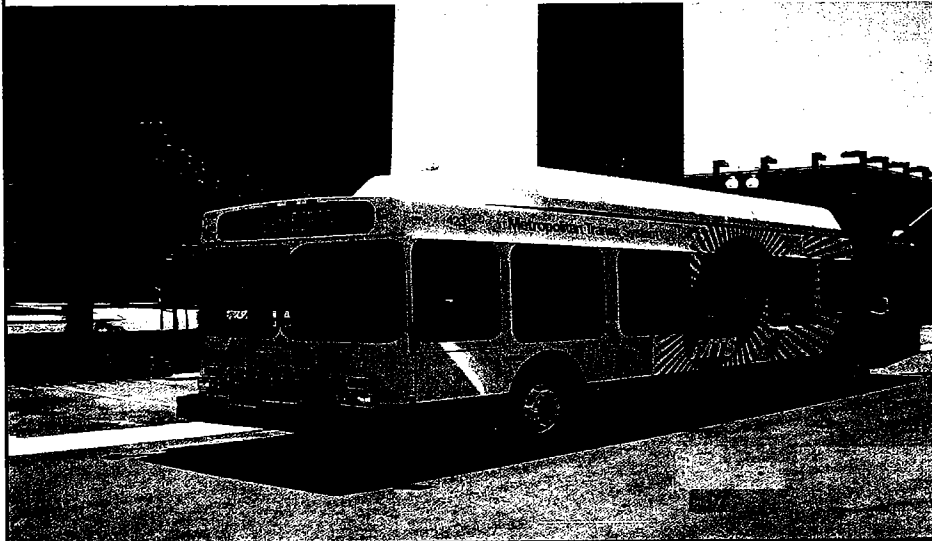
Challenges Ahead

- Our biggest challenge ahead may be our ability to provide the capacity that may be required to accommodate the increase in passenger demand that we have experienced, in part, as a consequence of the recent price spike in gasoline prices.
- Ridership continues to remain high even as consumers realize that fuel prices have decreased by 33%. At UCSD, we are breaking all ridership records and have had to add supplemental buses while the university has unsold and available parking spots.
- We are an environmentally friendly fleet of CNG powered vehicles able to provide cost effective transport and we can expect this level of ridership to continue into FY 09.

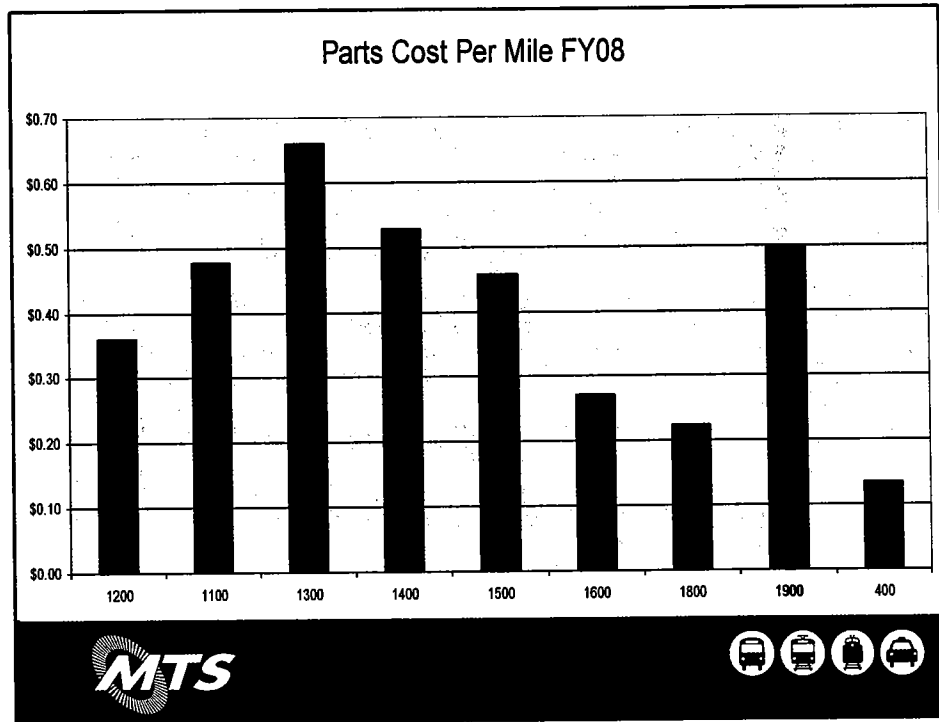


29

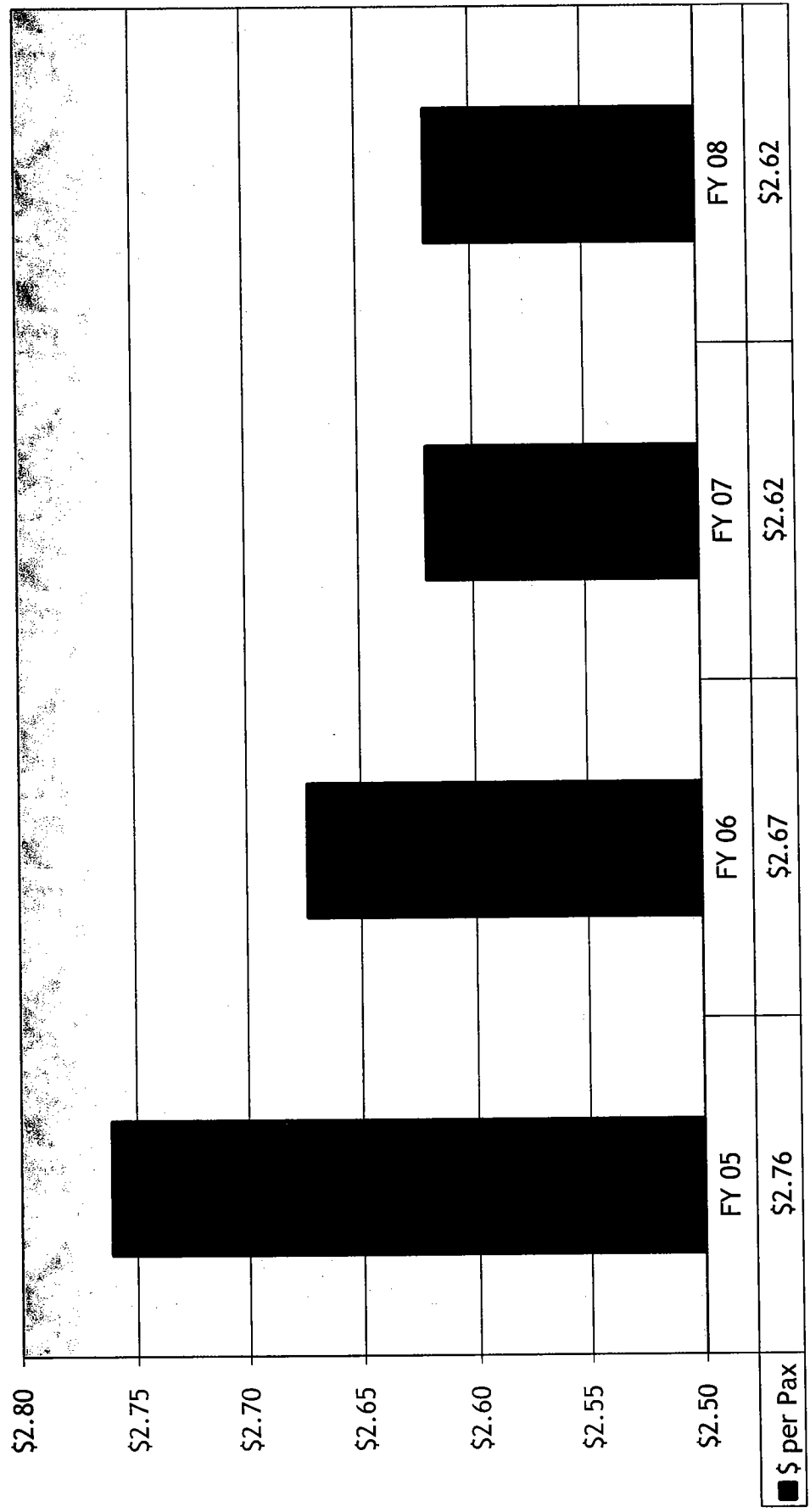
MTS Bus and Contract Services



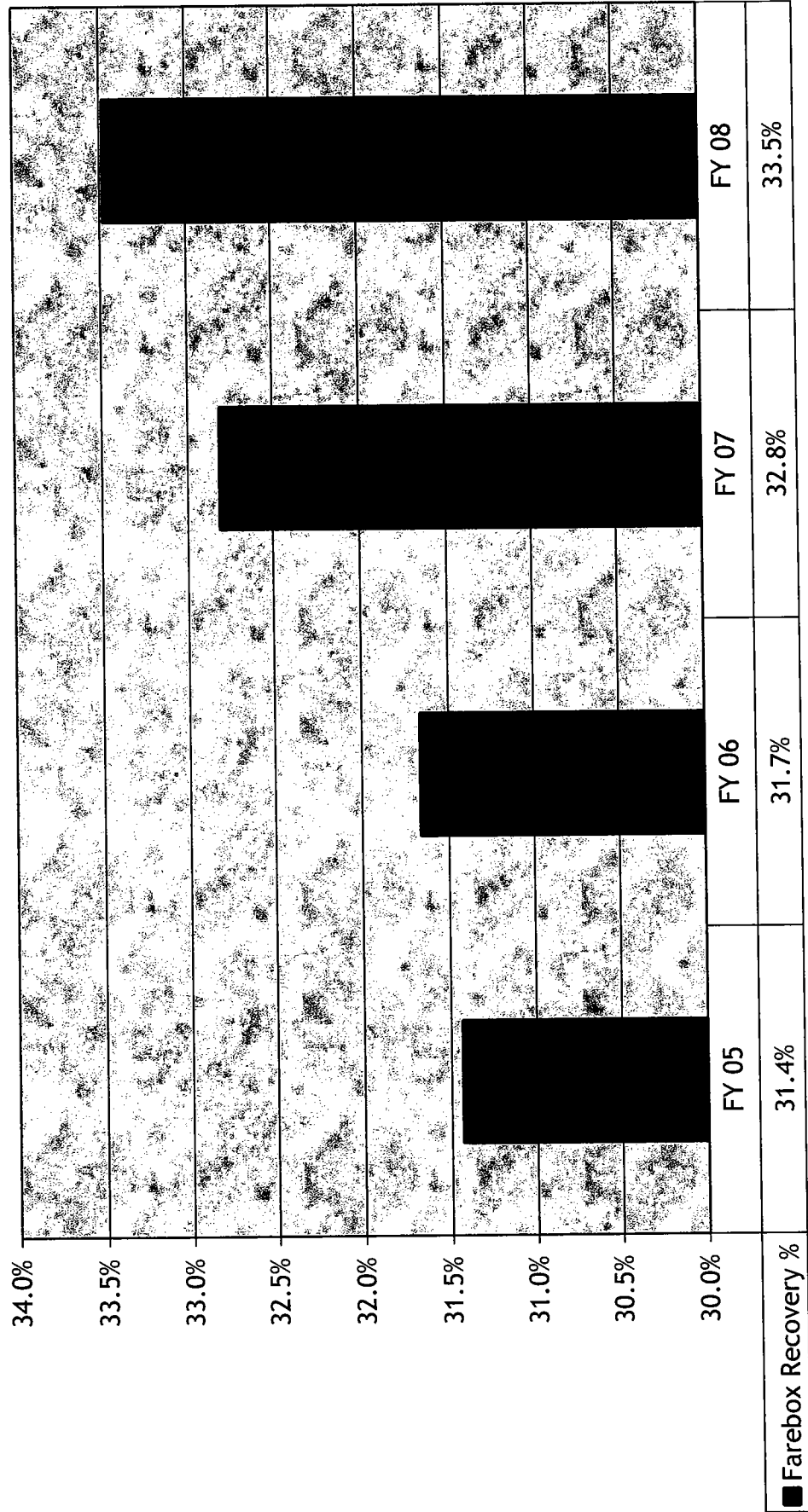
30



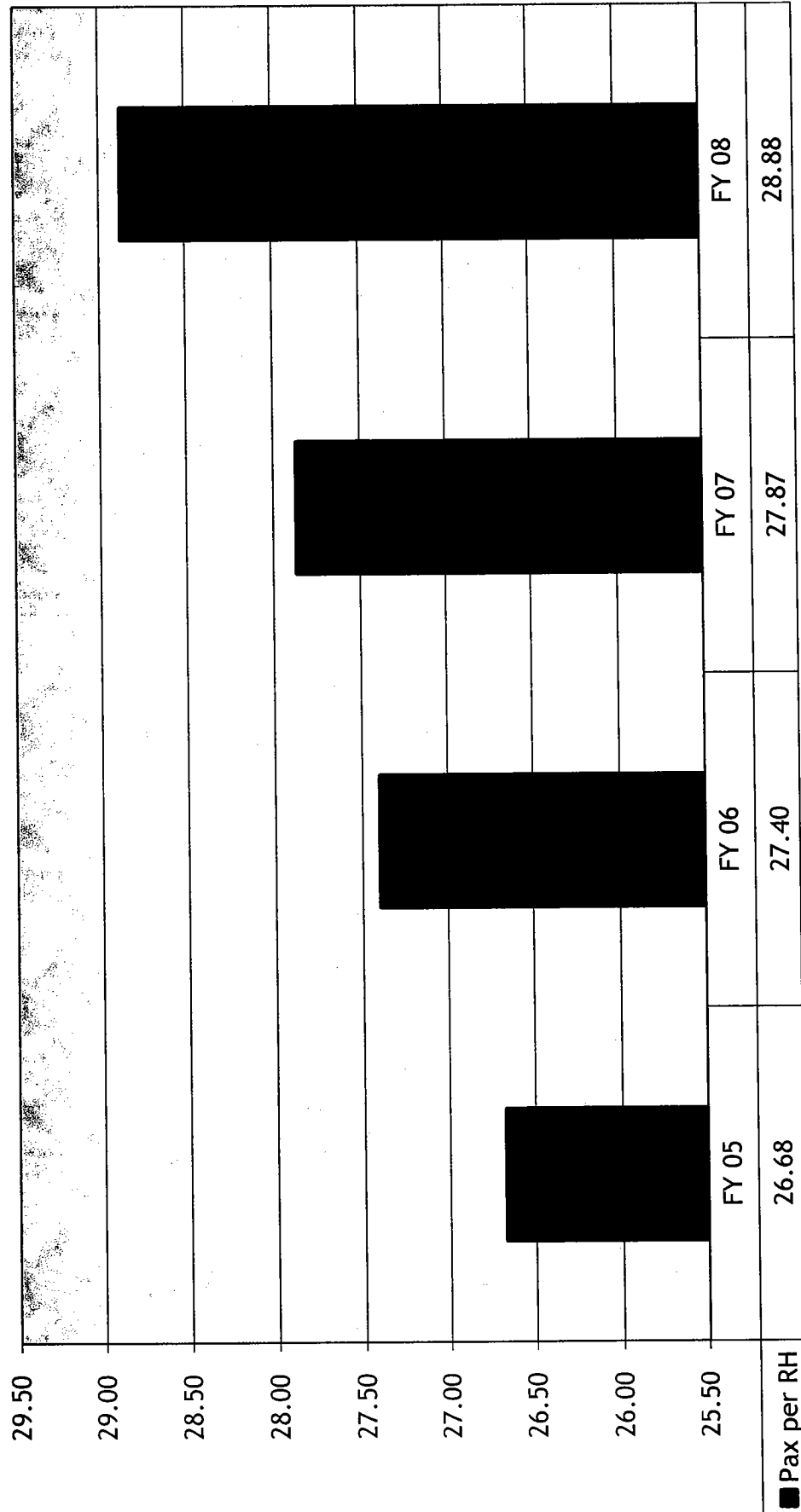
MTS AND MCS COMBINED OPERATING COST PER PASSENGER



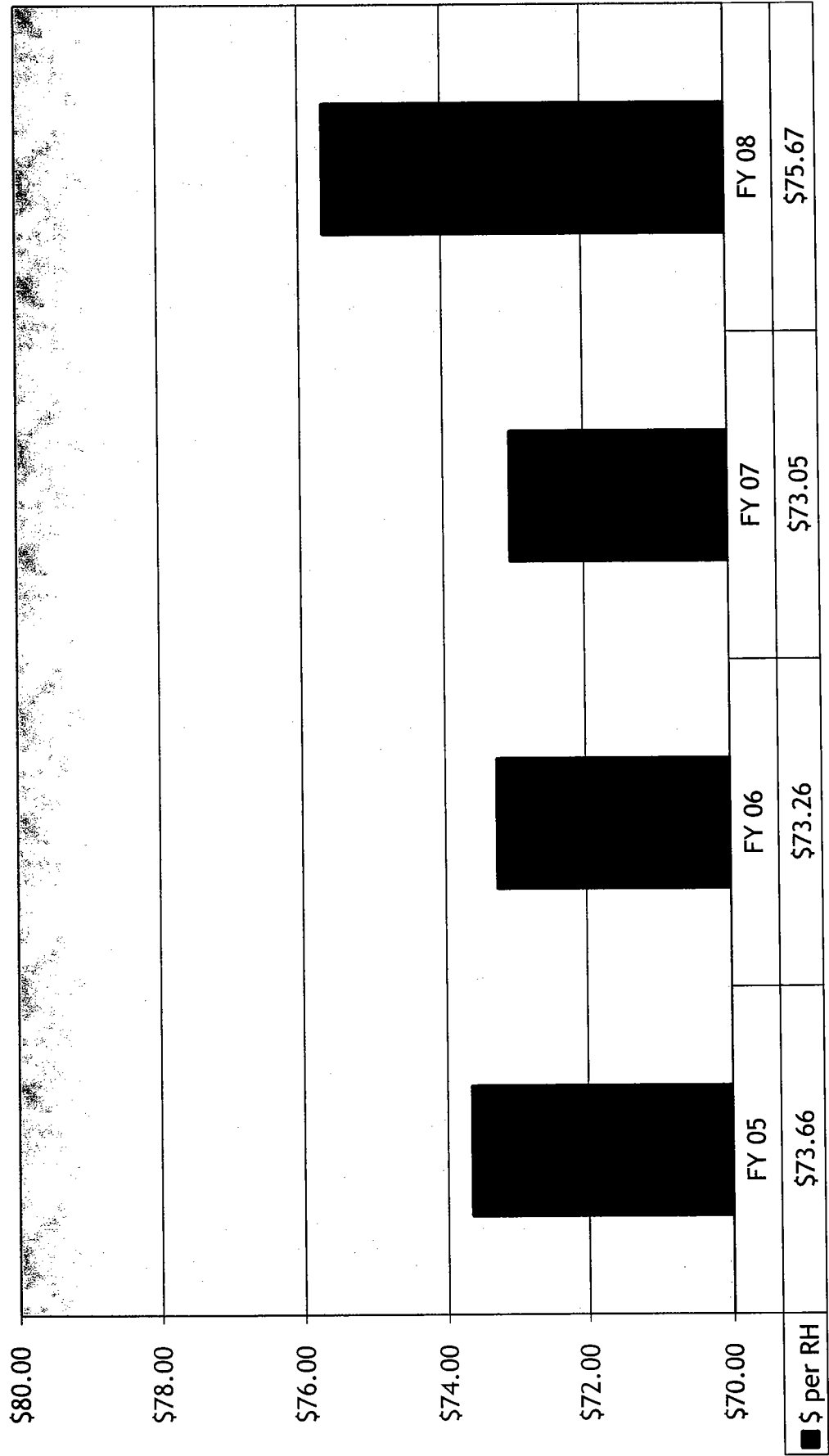
MTS AND MCS COMBINED FAREBOX RECOVERY RATIO



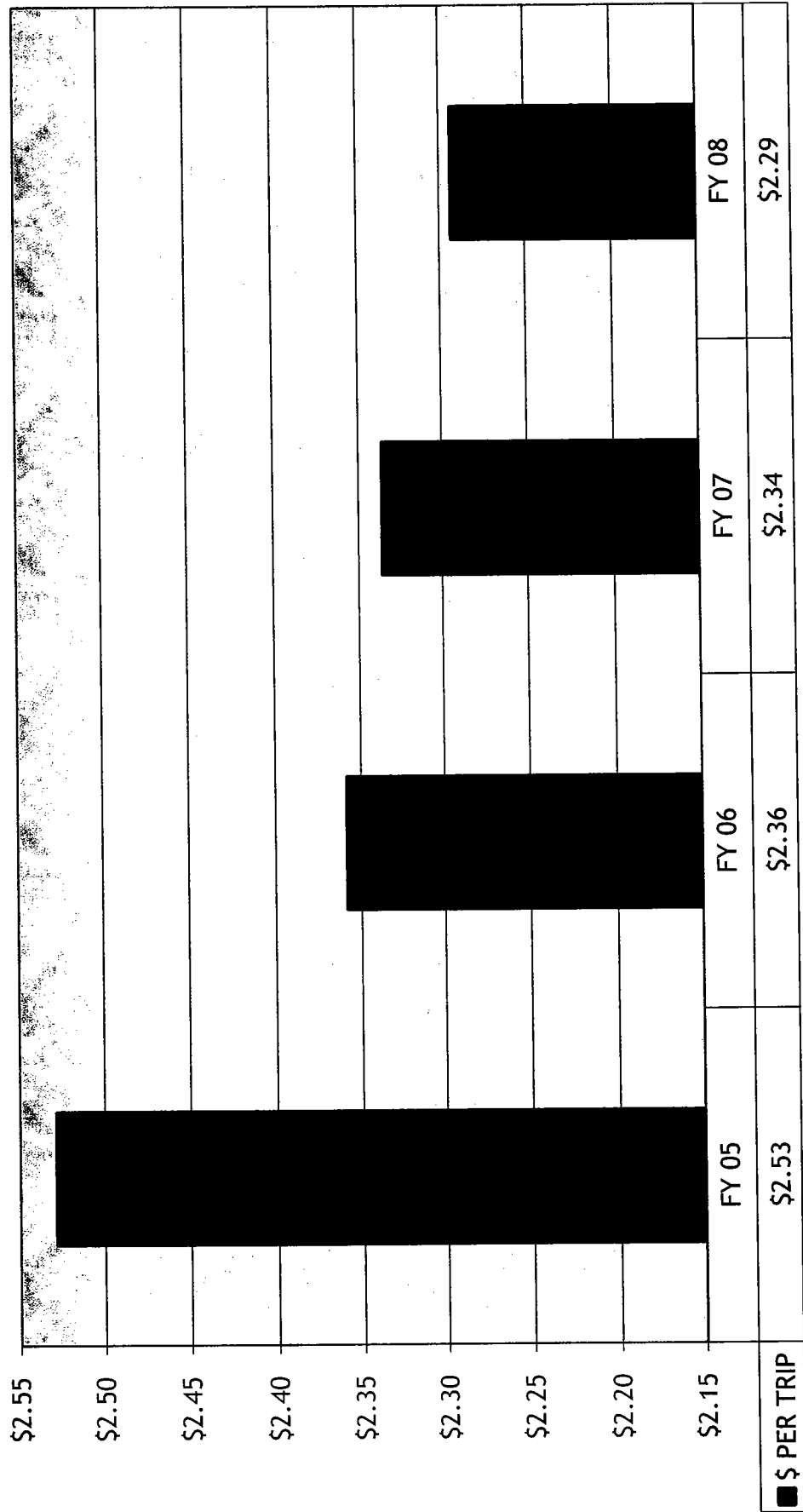
MTS AND MCS COMBINED PASSENGERS PER REVENUE HOUR



MTS AND MTS COMBINED COST PER REVENUE HOUR



MTS AND MTS COMBINED COST PER PAX, MINUS FUEL





AGENDA ITEM NO.

46

REQUEST TO SPEAK FORM

ORDER REQUEST RECEIVED

1

PLEASE SUBMIT THIS COMPLETED FORM (AND YOUR WRITTEN STATEMENT) TO THE CLERK OF THE BOARD PRIOR TO DISCUSSION OF YOUR ITEM

1. INSTRUCTIONS

This Request to Speak form must be filled out and submitted in advance of the discussion of your item to the Clerk of the Board (please attach any written statement to this form). Communications on hearings and agenda items are generally limited to three minutes per person unless the Board authorizes additional time; however, the Chairperson may limit comment to one or two minutes each if there are multiple requests to speak on a particular item. General public comments on items not on the agenda are limited to three minutes. Please be brief and to the point. No yielding of time is allowed. Subjects of previous hearings or agenda items may not again be addressed under General Public Comments.

(PLEASE PRINT)

Date	2008-10-30		
Name	Clive Richardson		
Address	on file		
Telephone			
Organization Represented			
Subject of Your Remarks			
Regarding Agenda Item No.			
Your Comments Present a Position of:	<input type="checkbox"/>	SUPPORT	<input type="checkbox"/> OPPOSITION

2. TESTIMONY AT NOTICED PUBLIC HEARINGS

At Public Hearings of the Board, persons wishing to speak shall be permitted to address the Board on any issue relevant to the subject of the Hearing.

3. DISCUSSION OF AGENDA ITEMS

The Chairman may permit any member of the public to address the Board on any issue relevant to a particular agenda item.

4. GENERAL PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

Public comment on matters not on the agenda will be limited to five speakers with three minutes each, under the Public Comment Agenda Item. Additional speakers will be heard at the end of the Board's Agenda.

REMEMBER: Subjects of previous hearings or agenda items may not again be addressed under General Public Comments.



1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
619.231.1466, FAX 619.234.3407

Agenda

Item No. 47

JOINT MEETING OF THE BOARD OF DIRECTORS
Metropolitan Transit System,
San Diego Transit Corporation, and
San Diego Trolley, Inc.

OPS 970.2

October 30, 2008

SUBJECT:

MTS: RAIL OPERATIONS YEAR-END REPORT

RECOMMENDATION:

That the Board of Directors receive a report for information.

Budget Impact

None.

DISCUSSION:

This report provides information pertaining to the status of San Diego Trolley, Inc.'s (SDTI's) rail operations and maintenance for FY 08. An overview of statistical information will be presented followed by a brief discussion of accomplishments during the fiscal year.

TRANSPORTATION

Ridership

The annual ridership for FY 08 was fixed at 37,620,944 representing an increase of 7.14% over the previous fiscal year (37,620,944 vs. 35,114,386). This number is attributed to the ever-increasing public use of trolley service for work, travel, special events, and escalating gas prices. Daily ridership to the San Diego State University (SDSU) campus (using a comparable reporting period) was up 6.3% over FY 07 (10,135 vs. 9,531).



Metropolitan Transit System (MTS) is a California public agency and is comprised of San Diego Transit Corporation and San Diego Trolley, Inc. nonprofit public benefit corporations, in cooperation with Chula Vista Transit and National City Transit. MTS is the taxicab administrator for eight cities and the owner of the San Diego and Arizona Eastern Railway Company. MTS member agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.

Service and Operating Expenses

SDTI continues to monitor operations closely in an effort to maximize its operating efficiencies. Annual car revenue miles operated increased by 0.9%, while ridership increased 7.14%. Annual train revenue hours went up by 0.1%. The number of riders carried per train hour increased by nearly 14 passengers (up 7.02%). MTS Rail maintained a farebox recovery rate of 55.62%, as compared to 48.97% in FY 07.

Accidents Per 100,000 Train Miles

Although the number of accidents experienced this year is higher than last year, SDTI still ranks favorably among the other light rail agencies in the state. During FY 08, there were 3,313,686 train miles operated. The total number of accidents during the fiscal year was 29 representing 0.88 accidents per 100,000 miles operated. When the total FY 08 accidents per 100,000 miles is compared with FY 07 (0.88 vs. 0.5), a decrease in train miles between accidents is realized. Of these incidents, one involved a violation of the California Vehicle Code.

Operating Rule Infractions

SDTI experienced 95 operating-rule infractions in FY 08 as opposed to 99 infractions in FY 07. This figure represents a 4% decrease in infractions from (95 vs. 99). This positive trend can be attributed to the use of refined training modules, enhanced student evaluations, ongoing supervisory interaction, and enhanced field oversight.

Complaints

SDTI received 354 complaints in FY 08 comparing favorably to FY 07 when 440 were recorded (354 vs. 440).

Schedule Adherence/On-Time Performance

SDTI scheduled 171,970 regular train trips in FY 08. Of the number scheduled, 171,896 were operated for a schedule adherence of 99.96%. Of those trips operated, 95.9% were on time (within five minutes of schedule). Staff continually monitors system operations, trip times, and ridership patterns so as to implement timely responses to events that may occur in a rail environment where even minor delays can impact the trip times of multiple trains and delay numerous passengers. Monitoring ridership patterns and making appropriate adjustments to train consist size (the number of light rail vehicles [LRVs]) is important and required to balance passenger comfort against the cost of service provided.

Lift Service

Total wheelchair ridership during FY 08 reached 86,548 passengers representing a 3% increase over FY 07 (86,548 vs. 84,032). Senior/disabled boardings on S70 LRVs are independent boardings and not included in these numbers. It should be noted that due to excessive wheelchair boardings, 2,317 trains recorded delays during FY 08 as compared to 1,515 in FY 07. As a percentage of system-wide delays, wheelchair boardings account for 32.6% in FY 08 compared to 25.7% in FY 07.

Special Events Service

During FY 08, SDTI provided service to 184 special events, including 77 Padres games, 11 Chargers games, the Holiday Bowl, Street Scene, ComicCon, and Oktoberfest. Of these, it is estimated that 1,067,524 (24.9%) used the trolley as their choice of transportation. There were over 4,911 train trips operated to support special events service to these events, and revenue from manual ticket sales was down 4% as compared to FY 07 (\$923,746 vs. \$960,457). Chargers game attendance was down 3.1% as compared to FY 07 with a corresponding decrease in ridership as a percentage of the gate (24.6% vs. 25.2%).

Centralized Train Control Project

In the early second half of FY 08, the San Diego Association of Governments (SANDAG) issued the Notice to Proceed on a \$5.5 million contract to ARINC Incorporated for implementation of a Centralized Train Control (CTC) system for MTS Rail. The CTC system will utilize state-of-the-art hardware and software to integrate or replace various independent systems currently deployed on a limited scale into a comprehensive Supervisory Control and Data Acquisition (SCADA) program that will provide Central Control with enhanced system-wide operations management. The initial deployment of this project will involve the Green Line with a factory acceptance test scheduled for March 2009 and full integration of this line segment in October 2009. This is the first phase of a \$12.3 million project that will ultimately include the Orange Line, Blue Line, and central city in future phases.

LRV MAINTENANCE DEPARTMENT

Train Miles Between Service Failures

The LRV Maintenance Department has instituted numerous fleet tasks (component inspections/repair) throughout the year in an effort to ensure maximum efficiency and reliability with the LRV fleet. The fleet incorporates three series of Siemens vehicles beginning with 71 U-2 LRVs (23 to 28 years old), 52 SD 100 LRVs (13 years old), and 11 S70 LRVs (introduced in 2005) to support Green Line service. Differing maintenance training and service programs for each series of vehicle requires that personnel maintain a high degree of technical knowledge in a variety of areas associated with the maintenance of electrical and mechanical components of each vehicle. The department remains focused on preventative maintenance programs to address the most common component defects, enhance maintenance procedures, and reduce equipment failures and service delays. Based on the National Transit Database (NTD) criteria for train miles between service failures, in FY 08 the LRV Maintenance Department recorded 19 failures (174,404 miles between incidents) vs. 35 failures in FY 07 (94,213 miles between incidents).

LRV Body Restoration and Painting Program

In FY 08, a total of 16 SD 100 LRVs received a full paint and body rehabilitation. To date, 21 SD 100s have been completed. Of the 71 U-2 LRVs, 66 have been rehabilitated, and the remaining 5 received an advertising wrap. A total of 15 LRVs have been approved for an advertising wrap.

LRV Door Failures

The LRV doors are the most heavily used piece of equipment on the system as evidenced by 37,620,944 passengers carried in FY 08. The department maintains an aggressive preventative maintenance program to ensure the door mechanisms are properly serviced and is proactive in instituting fleet tasks to meet performance standards. In FY 08, there were 23 fewer door failures reported than in FY 07 (532 vs. 555). LRV door failures per 100,000 car miles operated in FY 08 was 6.57 as compared to 6.89 in FY 07.

iPod Passenger Announcement System

Using an off-the-shelf iPod, staff has rejuvenated the existing troublesome and expensive Passenger Announcement (PA) system currently installed on the SD 100 LRVs. The device being tested utilizes the existing amplifiers, car body, and train line wirings. The commercially available MP3 player has been configured to replace the original data storage/processing device (message units). Modifications have been made to both the installed amplifiers (wiring harness) and operating procedures that allow the player to interface with the current system. Currently, one 3-car train has been equipped with the iPod announcement system for testing and has yielded positive results. The cost of a fleet retrofit with iPod system (\$15,794) as compared to a retrofit from Envitech a commercial vendor (\$597,080) results in a savings of \$581,286.

WAYSIDE MAINTENANCE DEPARTMENT

Maintenance programs and inspection activities specific to the track structure, safety, ride quality, signaling, grade-crossing safety, and general system maintenance continued throughout the year. These programs are initiated annually to ensure a safe operating environment is consistently maintained. The department continued to improve on its preventive maintenance programs with the implementation of training modules associated with signaling, traction power, and station electrical. An enhanced substation and catenary inspection program has significantly reduced the frequency of system failures involving these critical wayside components. The FY 08 goal to replace crossties and track tamping was exceeded with a total of 2,200 crossties changed and ten miles of track resurfaced and aligned on the Blue Line. In comparison, 1,800 crossties were replaced and six miles of track was resurfaced and aligned in FY 07.

The Loram Production Rail Grinder

During FY 08, the entire Orange Line received a rail maintenance grind from the Loram Rail Grinder. A rail maintenance grind is part of a normal rail maintenance program and improves rail wear by surfacing the flow (wear) of the rail head and smoothing surface corrugation (minor rippling of the rail head). This type of maintenance program helps to prevent rail defects from occurring and extends the useful life of the rail itself. Maintenance grinding on the south and east line segments is complete; however, the fine profile grind that will improve some ride quality issues will be completed in FY 09.

Crossing-Gate Damage Protection Device

In 2006, staff began installing a spring-loaded accessory to gate mechanisms that allows the gate, when struck by a vehicle, to swing out of position and return to normal. This retrofit to the conventional "pivot-and-break" type of mechanism has resulted in substantial savings in labor and materials with the average damage at \$500 per incident. This

modification has proven extremely effective as indicated by the reduction in gate hits from FY 07 (459) to FY 08 (290).

City of Lemon Grove - North Avenue Rehabilitation

A joint work effort was initiated between the MTS track crew and the City of Lemon Grove Department of Streets to provide rehabilitation services to the North Avenue crossing (Lemon Grove). This cooperative work effort is an excellent example of how good communication and a strong interagency working relationship can add cost-effectiveness, maintenance, and efficiency to joint work projects.

REVENUE DEPARTMENT

Cubic Fare Vending Machines

During FY 08, the Revenue Department coordinated installation of 13 new state-of-the-art Cubic fare vending machines, totaling 107 installed system-wide, with as few as one machine to as many as 13 machines (depending upon station activity). Currently, 57 of these machines are equipped with smart card technology and have the ability to accept debit and credit cards. The data collected by the machines can be accessed online by department personnel for the purpose of determining vault and coin hopper status and ridership information. The machines are also equipped with an ATM-type screen and audio capability to prompt and assist patrons with the fare vending process.

Smart Card – Platform Card Interface Device

In FY 08 the Revenue Department continued introduction of the new “Platform Card Interface Device” (PCID) technology. In FY 08, 39 additional PCIDs were installed bringing the system-wide total to 89 at 35 locations (57% of total). This project is being coordinated between the agencies by SANDAG representatives and Revenue Department personnel.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Wayne Terry 619.595.4906, wayne.terry@sdmts.com

San Diego Trolley

FY 08 Year End Operating Report

Board of Directors Meeting
October 30, 2008



Transportation Department

FY 08

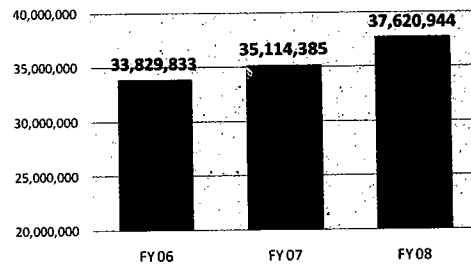


Ridership

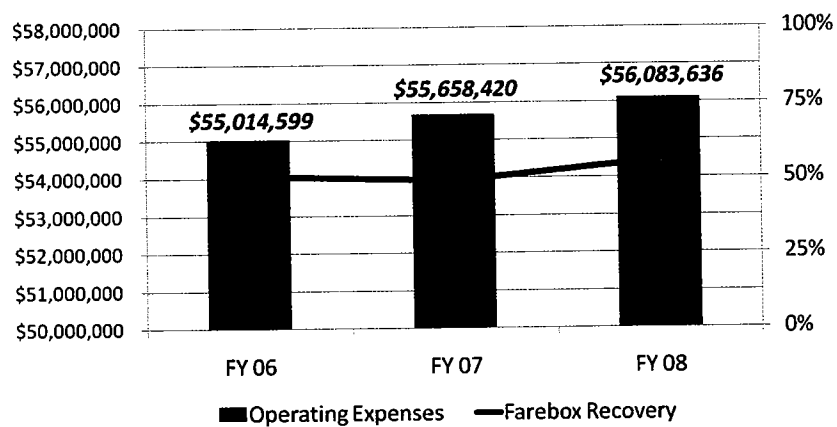
- Annual Ridership in FY 08: 37,620,944
- Increase of 7.14% from FY 07
- *SDSU ridership up 6.3% (10,135 vs. 9,531)*



Ridership

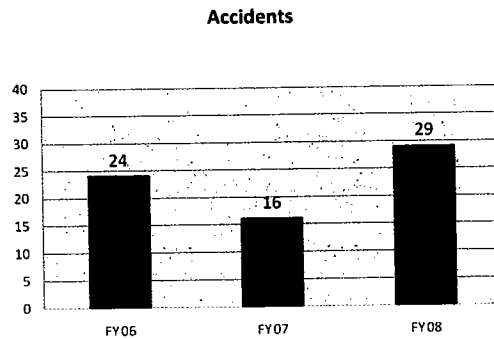


Operating Efficiency



Accidents

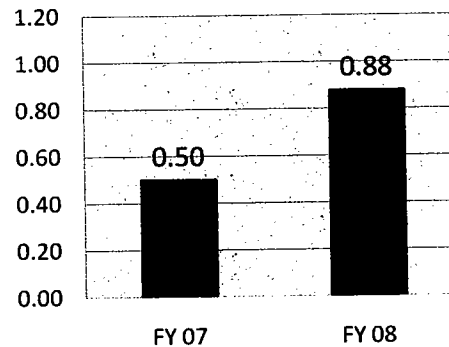
- Train vs. Pedestrian/
Trespasser: 5
- Traffic Signal/Stop Sign: 15
- Illegal Left Turn: 4
- Illegal Right Turn: 1
- Crossing Gate Violation: 2
- Side-Swipe Hit & Run: 2
- One Accident CVC Violation



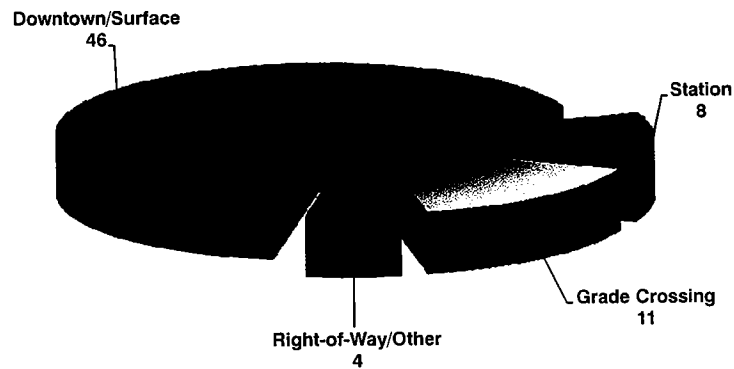
Accidents Per 100,000 Miles

SDTI compares favorably with other California LRT Agencies in Accidents per 100K Miles:

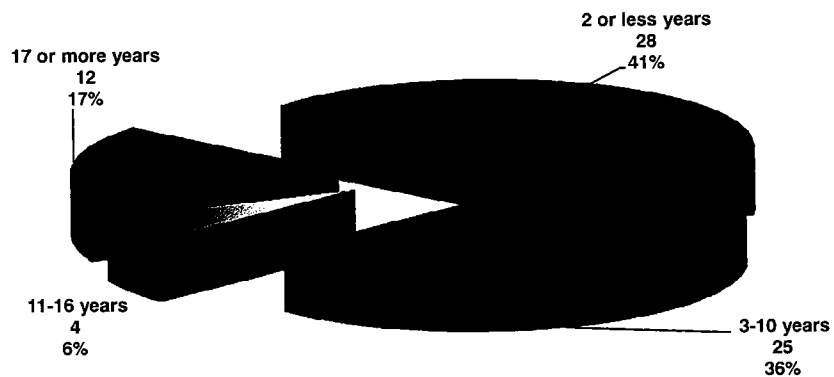
- Sacramento: 1.77
- LA Metro Blue Line: 1.71
- SF MUNI: 4.94



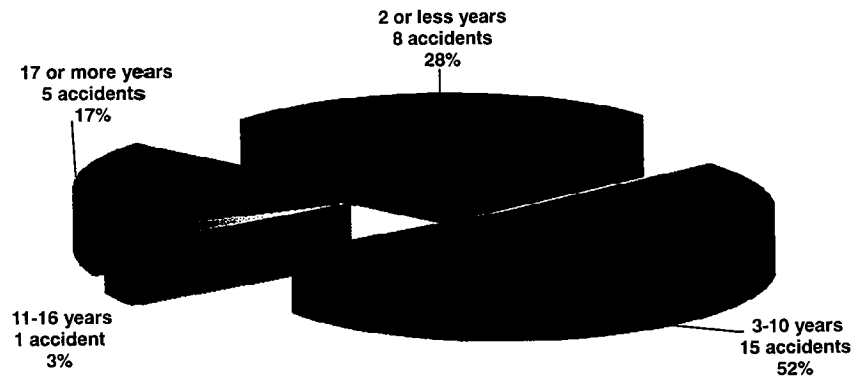
Accidents by Location - FY 06 – FY 08



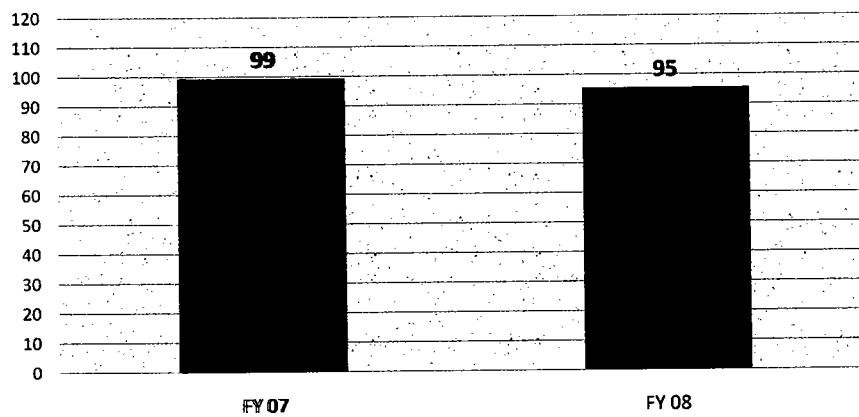
Accidents by Train Operator Seniority FY 06 – FY 08



Accidents by Train Operator Seniority FY 08

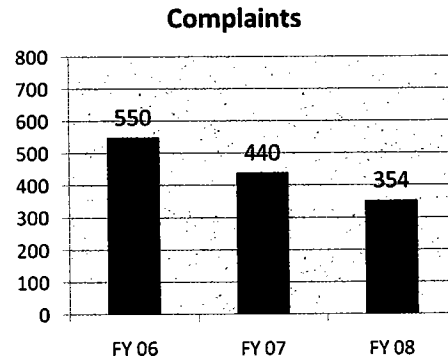


Operating Rule Infractions



Customer Complaints

- Complaints in FY 08: 354
- Complaints per 100,000 passengers carried:
 - FY 06: 1.63
 - FY 07: 1.25
 - FY 08: 0.94



Schedule Adherence

- Train Trips Scheduled: 171,970
- Train Trips Operated: 171,896
- Schedule Adherence: 99.96% (trains scheduled vs. trains operated)
- Operated on-time: 95.9% (trains operated within five (5) minutes or less of scheduled time)

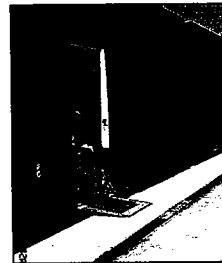


Lift Service

- Wheelchair Ridership in FY 08: 86,548
- Increase of 2.89% from FY-07 (84,032)
- Low-Floor S70 vehicle boardings not included
- Percentage of all system delays (multiple boardings):
 - FY 08: 32.6%
 - FY 07: 25.7%



SD-100 LRV



S70 LRV



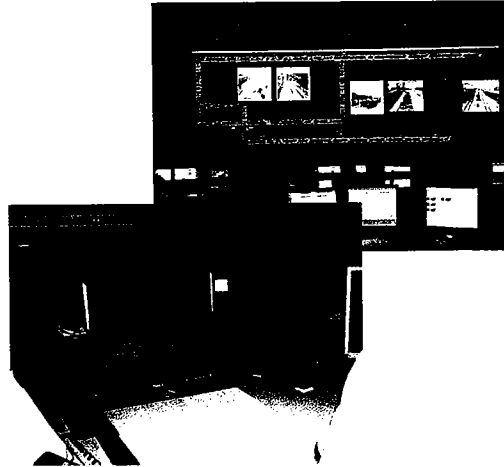
Special Events Service

- Special Events Serviced: 184
- Additional Ridership: 1,067,524
- Special Event Train Trips: 4,911
- Additional Revenue: \$923,746



Centralized Train Control

- Notice to Proceed 2nd half of FY 08
- First phase of Old Town segment and Green Line with activation October 2009
- Full Blue Line, Orange Line and Central City activation in future phases



LRV Maintenance Department

FY 08



Train Miles Between Service Failures

- Three series of Siemens Light Rail Vehicles
- Different training and service required for each LRV type requiring a high degree of technical knowledge
- FY 08 train miles between major service failures was recorded at 174,404 vs. 94,213 in FY 07

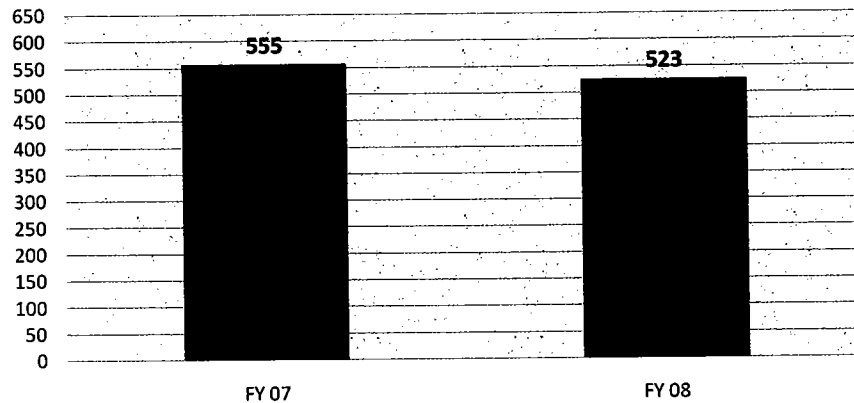


LRV Body Restoration and Painting Program

- SD-100 LRVs restored and painted in FY 08: 16
- Total U2 LRVs restored to date: 66 of 71
- Remaining five (5) U2 LRVs received advertising wrap
- Total LRVs approved for advertisement wrapping: 15

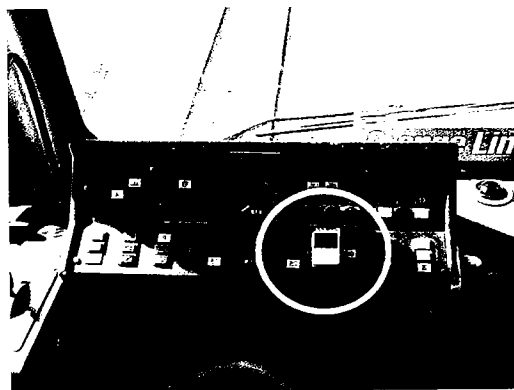


Door Failures



iPod Passenger Announcement System

- Cost-effective, employee-developed solution for SD-100 LRV PA systems
- iPod retrofit: \$15,794
- Uses existing amplifiers and train line wiring
- Savings over new commercial messaging system: \$581,286



Wayside Maintenance Department

FY 08



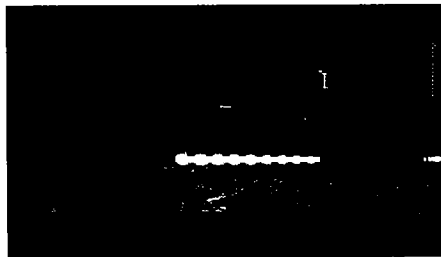
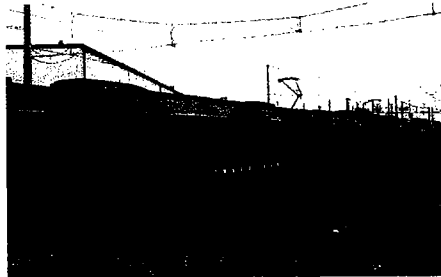
Wayside Maintenance Program

- Blue Line focus:
 - Crossties replaced: 2,200 vs. 1,800 in FY 07
 - Track Tamped and regulated: 10 miles vs. 6 miles in FY 07



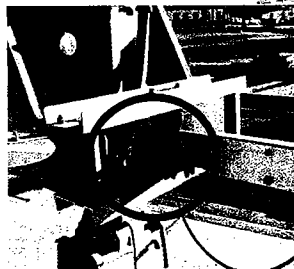
Rail Grinding

- Specialized equipment that grinds rail surface, removing flow and corrugation
- Improves rail wear and extends useful life of rail
- The Orange Line was service in FY08, while the Blue Line was finished in FY07. Next will be a "fine grind" which will improve ride quality system-wide

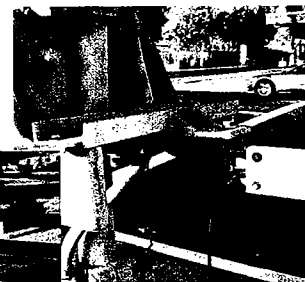


Crossing Gate Protection Device

- The Gatekeeper
- Replace Pivot & Break Type at High Incident Locations
- Crossing Gate Hits in
 - FY 08: 290
 - FY 07: 459
- Cost Savings: \$84,500



after



before



North Avenue Rehabilitation

- Cooperative effort between SDTI Track department and the City of Lemon Grove
- Cost Savings: \$15,000



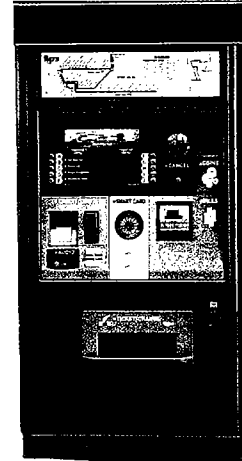
Revenue Department

FY 08



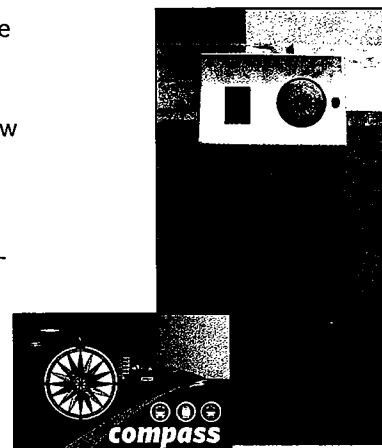
Cubic Fare Vending Machine

- The Revenue Department coordinated installation of 13 new CUBIC ticket vending machines in FY 08
- Currently, 107 are installed system-wide
- On target for the January 1, 2009 debut of Compass Card



Smart Card - Platform Card Interface Device

- SANDAG project assisted by SDTI Revenue staff
- The Revenue Department installed 39 new PCIDs in FY 08
- Smart Card readers installed at 35 locations, bringing the total to 89 system-wide
- On target to have all 160 PCIDs installed and operational by January 1, 2009





1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
619.231.1466, FAX: 619.234.3407

Agenda

Item No. 48

JOINT MEETING OF THE BOARD OF DIRECTORS
for the
Metropolitan Transit System,
San Diego Transit Corporation, and
San Diego Trolley, Inc.

SRTP 830

October 30, 2008

SUBJECT:

MTS: ROUTE 28 SERVICE ON SHELTER ISLAND

RECOMMENDATION:

That the Board of Directors receive a report for information.

Budget Impact

None.

DISCUSSION:

Background

Route 28 provides 30-minute frequency service in the Rosecrans corridor between the Old Town Transit Center (OTTC) and Canon Street in Point Loma (refer to the map in Attachment A). The route was reconfigured in September 2006 as part of the Comprehensive Operational Analysis (COA). At that time, the southern terminal bus stop was moved from the Naval Submarine Base Point Loma (Sub Base) to Anchorage Lane on Shelter Island in order to redeploy resources from the lesser-productive segment of Rosecrans south of the commercial district and to provide first-time service to Shelter Island. Service to the Sub Base is now provided by the new Route 84, which employs smaller shuttle vehicles on a reduced schedule and also serves the Cabrillo National Monument. Routes 28 and 84 have timed connections on Rosecrans at Canon Street and on Shelter Island Drive at Rosecrans.

The site of the terminal bus stop on Anchorage Lane was selected because it serves the western portion of Shelter Island and it is located adjacent to public parking lots on both sides of the street avoiding potentially conflicting land uses (refer to the aerial photo in Attachment B). Currently, approximately 76 riders board and alight at this stop daily. After the terminal stop, Route 28 buses



continue on Anchorage Lane to Canon Street before returning to Old Town Transit Center via Rosecrans.

Le Rondelet Condominium

In recent months, a resident of Le Rondelet Condominium, which is located at 1150 Anchorage Lane adjacent to the intersection of Anchorage Lane and Canon Street, contacted MTS about the noise the buses cause when passing through the intersection. MTS staff worked with the resident to address the following requests:

1. Designate the Anchorage Lane/Canon Street area as a quiet zone. MTS has instructed drivers to accelerate slowly when leaving the stop sign on Anchorage Lane at Canon Street.
2. Have the stop sign at the intersection removed so that buses will not have to decelerate and accelerate. MTS contacted the Port of San Diego on behalf of the resident. Port staff has indicated that further study of the stop will be needed to determine if it is safe to remove the stop sign.

MTS staff has reviewed three alternatives for rerouting Route 28 off Anchorage Lane and relocating the terminal stop:

1. Shelter Island Roundabout (adjacent to San Diego Bay near Humphrey's Half Moon Inn & Suites) - MTS staff examined this potential extension as part of the COA to serve most of the hotels, marinas, shipyards, and restaurants on Shelter Island when resources are available. The annualized cost for this change would be \$62,800.
2. Corner of Avenida de Portugal and Scott Street – This location is adjacent to a deli/convenience store that uses the curb space for customer parking. The length of curb available (68 feet) is insufficient to accommodate more than one bus simultaneously. Route 28 has some overlapping trips. In addition, relocating the terminal stop to Scott Street between Shelter Island Boulevard and Canon Street effectively would discontinue transit service to parts of Shelter Island currently served.
3. Existing Bus Stop on Shelter Island Drive at Rosecrans – The length of this bus stop (76 feet) is insufficient to accommodate Route 28 and Route 84 buses simultaneously preventing bus layover at this important transfer point. Locating the Route 28 terminal stop here also would discontinue transit service to parts of Shelter Island currently served.

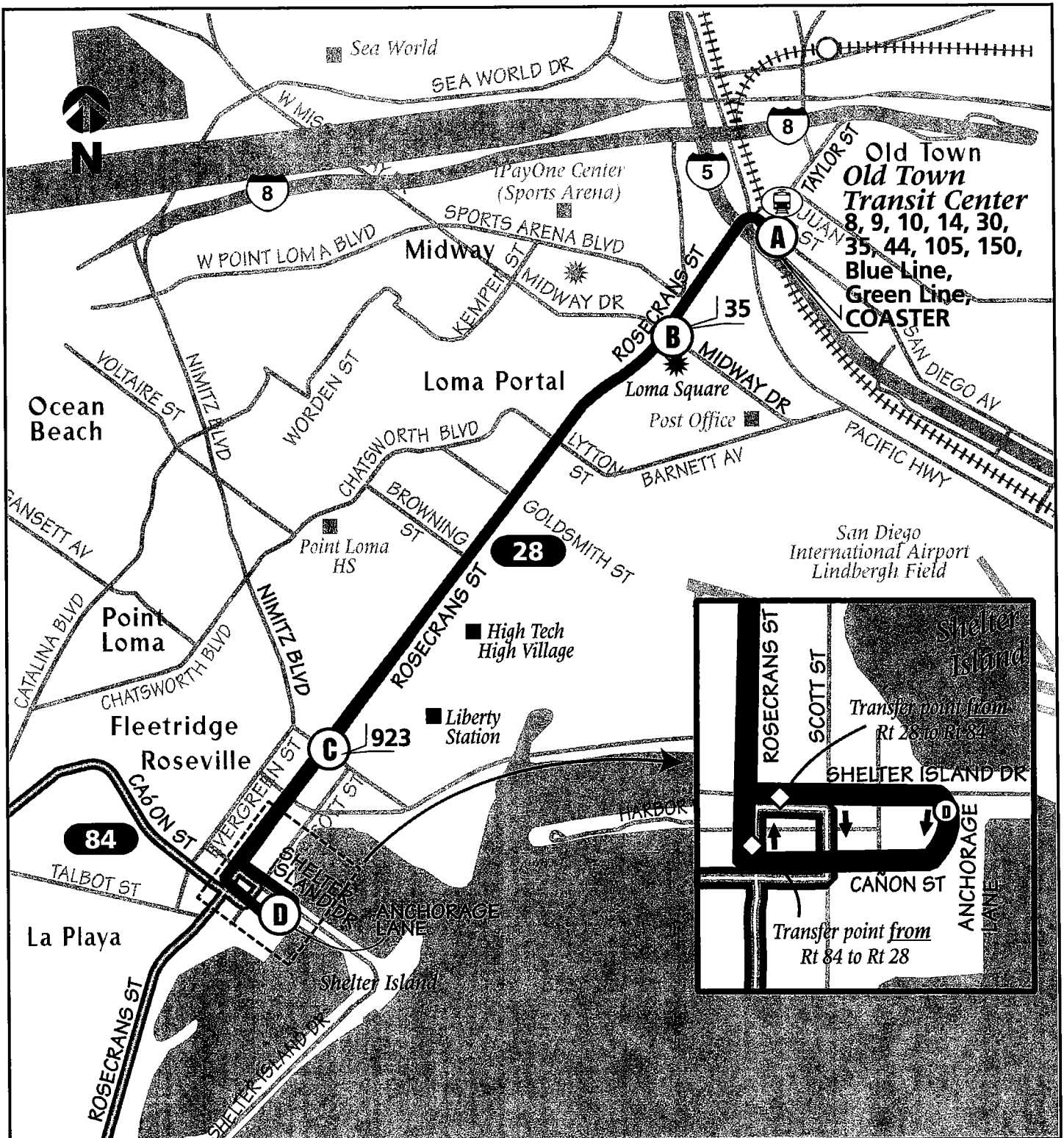

Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Mark Thomsen, 619.595.4909, mark.thomsen@sdmts.com

OCT30-08.48.RTE 28 SHELTER ISL.MTHOMSEN.doc

Attachments: A. Route 28 map
B. Shelter Island aerial photo

Route 28



Shelter Island





1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
619.231.1466 FAX 619.234.3407

Agenda

Item No. 62

Chief Executive Officer's Report

ADM 121.7 (PC 50101)

October 30, 2008

In accordance with Board Policy No. 52, Procurement of Goods and Services, attached are listings of contracts, purchase orders, and work orders that have been approved within the CEO's authority (up to and including \$100,000) for the period September 30, 2008, through October 20, 2008.

[gail.williams/agenda item 62](#)



Metropolitan Transit System (MTS) is comprised of the Metropolitan Transit Development Board (MTDB) a California public agency, San Diego Transit Corp., and San Diego Trolley, Inc., in cooperation with Chula Vista Transit and National City Transit. MTS is Taxicab Administrator for eight cities. MTDB is owner of the San Diego and Arizona Eastern Railway Company. MTDB Member Agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway,

CONTRACTS - Expense

Doc #	Organization	Subject	Amount	Day
B0469.1-07	THE ARC OF SAN DIEGO	MONTH TO MONTH EXTENSION TO CLEAN BUSES	\$48,000.00	10/2/2008
G1108.3-07	LAW OFFICES OF DAVID C SKYER	LEGAL SERVICES GENERAL & TORT LIABILITY	\$55,000.00	10/2/2008
L0859.0-09	SIEMENS TRANSPORTATION	LRV REPAIRS 2052	\$25,000.00	10/2/2008
L0861.0-09	LIPMAN, STEVENS & CARPENTER	PROVIDE APPRAISAL SVC FOR CREEKSIDE VILL	\$3,750.00	10/2/2008
L5697.0-09	SANDAG	ROE PERMIT RIDESHARE WEEK AT OLD TOWN	\$0.00	10/2/2008
S200-09-369	COX COMMUNICATIONS	LICENSE TO RUN FIBER OPTIC CABLE ACROSS	(\$1,500.00)	10/2/2008
G1031.1-07	AZTEC JANITORIAL SERVICES	SABRE SPRINGS BRT STATION JANITORIAL	\$48,561.66	10/9/2008
G1024.2-01	SAN DIEGO SYMPHONY, WINTER POP	2008-2009 PARTNERSHIP AGREEMENT	\$25,000.00	10/13/2008
G1217.0-09	NEIL,DYMOTT,FRANK,MCFALL & TRE	LEGAL SERVICES-GENERAL & TORT LIABILITY	\$15,000.00	10/13/2008
G1215.0-09	MCDONALD PARTNERS	CONSULTING SERVICES TO DEV & INITIATE CN	\$65,000.00	10/20/2008
L0803.4-07	SANDAG	MTS-SANDAG MOU AMEND 4 TIME EXTENSION	\$0.00	10/20/2008
L0855.0-09	CYCLING PROMOTION WEST	ROE PERMIT SANDAG RIDELINK BIKE LOCKERS	\$0.00	10/20/2008
L5696.0-09	E LOCK TECHNOLOGIES	ROE PERMIT RIDELINK SANDAG BIKE LOCKERS	\$0.00	10/20/2008
PWL108.0-09	ELECTRO SPECIALTY	SDSU CCTV	\$36,633.21	10/20/2008

PURCHASE ORDERS

DATE	Organization	Subject	AMOUNT
10/2/2008	ACCO ENGINEERED	REMOVE AND REPLACE LEAKING CONDENSE	\$4,610.00
10/2/2008	HELIX MECHANICAL	REMOVE AND REPLACE ONE (1) 40 HP FA	\$4,346.00
10/2/2008	ACCO ENGINEERED	EXHAUST FAN DESIGN, INSTALL & START	\$12,433.00
10/2/2008	PACIFICA HEALTH AND MEDICAL	FLU SHOTS FOR MTS, SDTI & SDTC	\$6,115.50
10/2/2008	FUSION STORM	DISK EXPANSION ARRAY FOR NETWORK	\$43,330.17
10/2/2008	IPKEYS	NORTEL PROFESSIONAL SVCS	\$11,200.00
10/2/2008	BORDEAUX PRINTERS INC	NABI BUS BANK	\$2,867.23
10/2/2008	HEWLETT PACKARD CO	SUPPORT RENEWAL PER AMP ID	\$16,028.95
10/6/2008	ASSOCIATED POSTERS INC	APTA BUS KINGS	\$2,090.01
10/6/2008	VISIBLE INK	COCA COLA MACHINE SWIPES	\$948.20
10/6/2008	ASSOCIATED POSTERS INC	BALBOA PARK PROMOTION	\$692.66
10/6/2008	ARTISTIC VISUALS	PHOTOS FOR FUN PLACES BROCHURE	\$1,500.00
10/6/2008	VISIBLE INK	POSTERS FOR APTA CONFERENCE	\$646.50
10/6/2008	BROWN & BIGELOW	MTS POLO SHIRT	\$6,106.86

PURCHASE ORDERS

DATE	Organization	Subject	AMOUNT
10/6/2008	US POSTAL SERVICE	POSTAGE FOR METER	\$6,000.00
10/6/2008	SAN DIEGO CITYBEAT	FULL PAGE COLOR AD	\$1,000.00
10/6/2008	PIXEL IMAGING MEDIA	TROLLEY WRAP PRODUCTION AND INSTALL	\$10,990.50
10/6/2008	PRESSNET EXPRESS	APTA TRANSIT PASSES	\$624.95
10/6/2008	BROWN & BIGELOW	6'X3' FLOOR LENGTH TABLE CLOTH	\$1,069.75
10/6/2008	PIXEL IMAGING MEDIA	TROLLEY WINDOW DECALS	\$1,002.08
10/9/2008	VISIBLE INK	TEMPORARY EXPLORE MAPS FOR APTA	\$538.75
10/13/2008	CARMON INTERNATIONAL	REPLACE STEPS AT SW CORNER OF BLDG	\$650.00
10/16/2008	GROOVY LIKE A MOVIE	60 MIN PRESENTATION FOR APTA	\$2,475.00
10/16/2008	RON LOGAN GRAPHIC DESIGN	APTA PRESENTATION - GRAPHIC DESIGN	\$1,250.00
10/16/2008	CORPORATE EXPRESS	2009 THOMAS BROTHERS ROAD ATLAS	\$943.11
10/16/2008	RESCUE ROOTER	REPLACE TWO 100 GALLON NATURAL GAS	\$11,400.00
10/20/2008	THALES CONSULTING INC	INSTALL APPLICATION	\$7,000.00

WORK ORDERS

Doc #	Organization	Subject	Amount	Day
G1127.0-08.05.01	BUREAU VERITAS	EL CAJON TRANSIT CENTER	\$7,634.00	10/13/2008
G1161.0.08.11.1	SELECT ELECTRIC	CCO#11 SUPP 1 BAL FORCE ACCT	\$616.68	10/16/2008
G1161.0.08.4.1	SELECT ELECTRIC	CCO#4 SUPP 1 ELIMINATION FORCE ACCT	\$1,000.00	10/16/2008

CONTRACTS - Revenue

Doc #	Organization	Subject	Amount	Day
S200-09-369	COX COMMUNICATIONS	LICENSE TO RUN FIBER OPTIC CABLE ACROSS	(\$1,500.00)	10/2/2008
L0858.0-09	IRISH CONSTRUCTION	ROE PERMIT C ST CONDUIT REPAIR AT&T	(\$750.00)	10/13/2008
L6621.0-09	VERIZON BUSINESS	LICENSE FEE AERIAL CROSSING	(\$1,500.00)	10/13/2008
G1228.0-09	RADY CHILDREN'S HOSPITAL	3-MONTH ECO PASS PILOT PROGRAM	(\$4,410.00)	10/16/2008
L0857.0-09	AT&T	ACCESS MH'S "C" ST ROE PERMIT	(\$1,200.00)	10/20/2008
L0869.0-09	AMG DEMOLITION	ROE PERMIT BLDG DEMO 1123 ISLAND AVE	(\$1,300.00)	10/20/2008
S200-08-364	FENCE CORP INC.	ROE PERMIT 32ND ST NAVAL PROJECT SECURIT	(\$2,900.00)	10/20/2008